

# **MCC/ MCA-Benin Monitoring and Evaluation Plan**

Version 4

September 2011

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## LIST OF ABBREVIATIONS

The following compendium of capitalized terms used in this Monitoring and Evaluation Plan and is provided for the convenience of the reader.

<b>ALAFIA</b>	<i>Microfinance Association (Association Nationale des Practiciens de la Microfinance du Bénin)</i>
<b>APR</b>	<i>Annual Progress Report</i>
<b>BCEAO</b>	<i>Central Bank of West African States</i>
<b>BOC</b>	<i>Fish/seafood inspection handling facility at the Port (Base Obligatoire de Controle)</i>
<b>CAMeC</b>	<i>Center for Arbitration, Mediation and Conciliation</i>
<b>CCIB</b>	<i>Chamber of Commerce and Industry in Benin</i>
<b>CSSFD</b>	<i>Cellule Supervision Microfinance</i>
<b>DDET</b>	<i>Department of Properties, Registration and of Stamps (Direction des Domaines de l'Enregistrement et du Timbre)</i>
<b>DUA</b>	<i>Department of Urban Development (Département Urbanisme et Amenagement)</i>
<b>EMICoV</b>	<i>Benin's national household living standards measurement survey (L'Enquête Modulaire Intégrée sur les Conditions de Vie)</i>
<b>EIF</b>	<i>Entry into Force</i>
<b>FCFA</b>	<i>Benin Currency (Francs Communauté Financière d'Afrique)</i>
<b>FINECF</b>	<i>Financial Innovation and Expansion Challenge Facility or the Challenge Facility</i>
<b>GoB</b>	<i>Government of Benin</i>
<b>IEC</b>	<i>Information, Education and Communication Campaign</i>
<b>IGN</b>	<i>National Institute of Cartographie (Institut National Géodésie et Cartographie)</i>
<b>INSAE</b>	<i>National Statistics Institue (Institut National de la Statistique et de l'Analyse Economique)</i>
<b>M&amp;E</b>	<i>Monitoring and Evaluation</i>
<b>MAEP</b>	<i>Ministry of Agriculture (Ministère d'Agriculture de l'Elevage et de la Pêche)</i>
<b>MCA</b>	<i>Millennium Challenge Account.</i>
<b>MCA-Benin</b>	<i>Millennium Challenge Account-Benin</i>
<b>MCC</b>	<i>Millennium Challenge Corporation</i>
<b>MEHU</b>	<i>Ministry of Environment, Land Planning and Housing (Ministère de l'Environnement, de l'Habitat et de l'Urbanisme)</i>
<b>MFIs</b>	<i>Microfinance institutions</i>
<b>MSMEs</b>	<i>Micro, Small- and Medium Enterprises</i>
<b>OHADA</b>	<i>Organization for the Harmonization of Business Law in Africa</i>
<b>PAC</b>	<i>Port Autonome de Cotonou</i>
<b>PFR</b>	<i>Rural Land Plan (Plan Foncier Rural)</i>
<b>PSM</b>	<i>Propensity Score Matching</i>
<b>TPI</b>	<i>Tribunal de Premier Instance (circuit court)</i>
<b>WAEMU</b>	<i>West African Economic and Monetary Union</i>

## OVERVIEW

On February 22, 2006, The United States of America, acting through the Millennium Challenge Corporation (MCC), and the Government of the Republic of Benin signed a Compact for sustained poverty reduction and economic growth. Monitoring and Evaluation (M&E) is essential for a results-based approach to program management. It was a key component of program design and remains incorporated into all facets of the program cycle through program close-out. This Monitoring and Evaluation Plan for the MCA-BENIN Program details how performance objectives will be measured and reported, and how evaluations will be conducted. It is based on the Annex III to the Compact, which describes, in general, how progress toward Compact results will be measured.

More specifically, the M&E Plan serves the following functions:

- Explains in detail how MCC and MCA-Benin monitor the various projects to determine whether they are achieving their intended results and measure their larger impacts over time through mid-term and final evaluations.
- Serves as a guide for program implementation and management, in order that MCA-Benin staff, the Board of Directors, Advisory Council members, program implementers, beneficiaries, and other stakeholders understand the objectives and targets they are responsible for achieving, and are aware of their progress towards those objectives and targets during implementation.
- Alerts MCA-Benin, implementing agencies, stakeholders and MCC to any problems in program implementation and provides the basis for identifying and making any needed program adjustments.

This M&E Plan is considered a binding document. Failure to comply with its stipulations could result in suspension of disbursements. All M&E plan modifications must comply with MCC Policy on Monitoring and Evaluation<sup>1</sup>, as noted in section 4.3 below.

This document is the fourth version of MCA Benin's Monitoring and Evaluation plan. This revision responds to the need for greater precision and alignment between Compact projects and monitoring and evaluation activities, as identified in the first and second external data quality review. This version also reflects on going changes in MCC's M&E requirements. The main revisions include:

- Adjustments to indicators and targets (documented in Annexes 2 and 8)
- Changing monitoring and evaluation procedures
- Changes to targets based on MCC's requirement to replace incremental numbers with cumulative ones
- Updating this document to reflect the current state of M&E implementation, including past studies and major results

MCA Benin and MCC have collaborated in conducting these revisions. MCC project points of contact identified indicators requiring greater precision and reviewed targets for accuracy and practicality. MCA Benin conducted a thorough review with Project level input and consultations with external stakeholders.

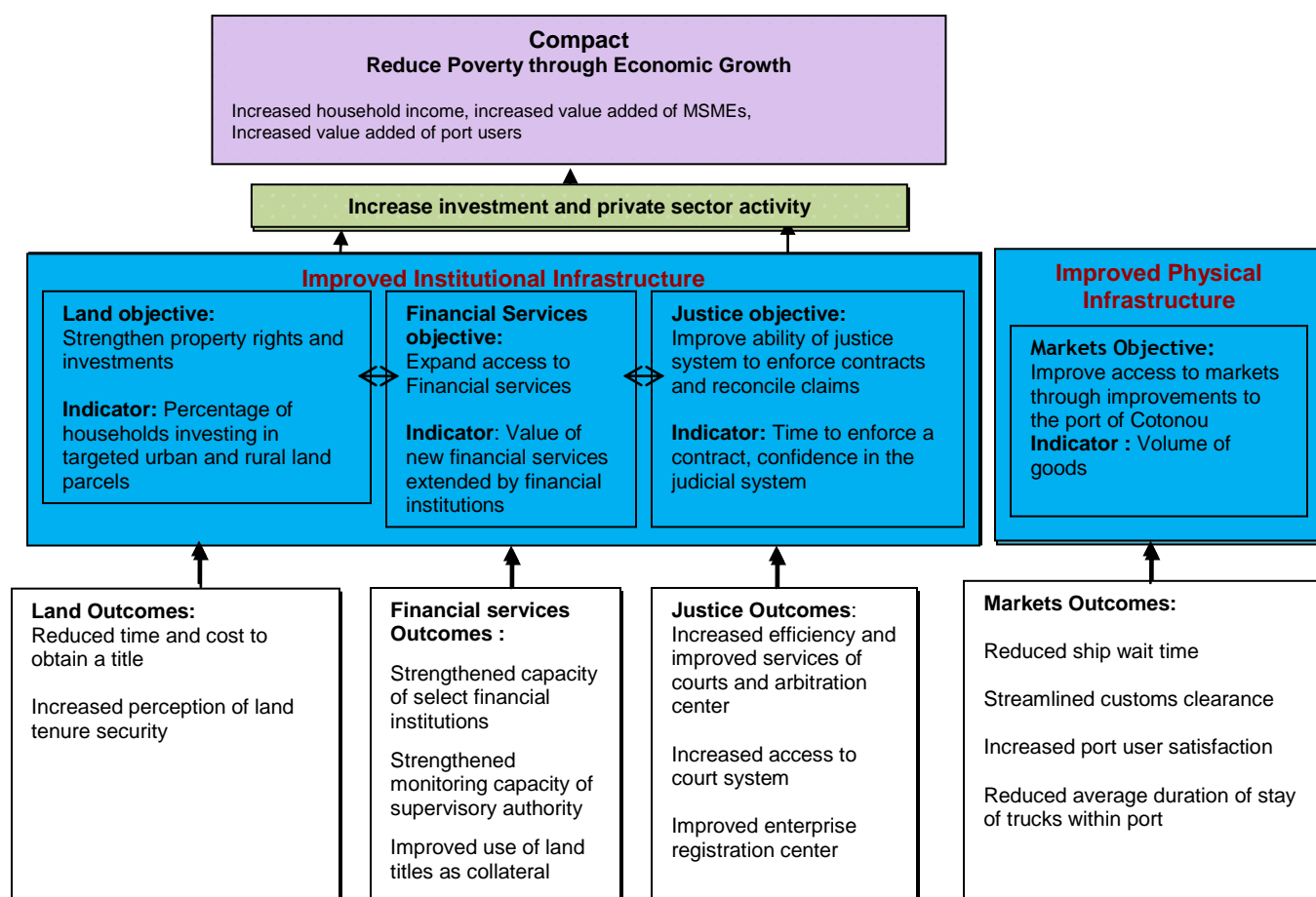
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<sup>1</sup> <http://www.mcc.gov/mcc/bm.doc/policy-051209-mande.pdf>

# 1. SUMMARY OF PROGRAM AND OBJECTIVES

## 1.1 Program Logic

The Benin MCA Program aims to increase economic growth and reduce poverty in Benin by removing constraints to investment in key sectors of the economy. The Program seeks to increase investment and private sector activity by improving key institutional and physical infrastructures through the four Projects: “Access to Land,” “Access to Financial Services,” “Access to Justice,” and “Access to Markets.” Below is a summary of the program logic:



The “Access to Land” Project (\$36,020,000) consists of five activities:

- a) Policy and Legal Reform
- b) Achieving Formal Property Rights to Land
- c) Improving Land Registration Services and Land Information Management
- d) Information, Education and Communication

- e) Support Land Program Coordination<sup>2</sup>.

The “Access to Financial Services” Project (\$19,650,000) has 2 key activities.

- a) Financial Institution and Borrower Capacity Building activity includes two sub-activities:
  - i. Demand and feasibility assessments
  - ii. Financial innovation and expansion challenge facility (FINECF)
- b) Financial Enabling Environment Activity includes five sub activities:
  - i. Strengthening of Microfinance Supervision
  - ii. Multi-stakeholder forums
  - iii. Improvement of regulatory environment
  - iv. Credit bureau capacity building
  - v. Land titles as collateral for loans

The “Access to Justice” Project (\$34,270,000) has three main activities:

- a) Expansion of the Center of Arbitration, Mediation and Conciliation at the Chamber of Commerce (CAMEC)
- b) Improvement of the enterprise registration center (*Guichet Unique*)
- c) Improved services of courts. This activity supports the following sub activities:
  - i. Training of judges and court personnel
  - ii. Improvement to the Inspector General service
  - iii. Creation of a legal information center
  - iv. Establishment of a legal aid fund
  - v. Construction of new court houses
  - vi. Support to increase efficiency in case management.

The “Access to Markets” Project (\$169,447,000) has 4 major activities:

- a) Feasibility Studies and Assessments
- b) Port Institutional and Systems Improvements
- c) Port Security and Landside Improvements
- d) Waterside Improvements

## ***1.2 Program Beneficiaries***

In accordance with the MCC Guidelines for Economic and Beneficiary Analysis<sup>3</sup> beneficiaries are defined as individuals that are expected to experience an income increase due to Compact

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<sup>2</sup> Numbering of each Project activity in this document corresponds to activity and sub-activity numbering in the Benin Compact and Disbursement Agreement.

<sup>3</sup> <http://www.mcc.gov/mcc/bm.doc/guidance-economicandbeneficiaryanalysis.pdf>

activities. Each project's economic rate of return analysis details benefit streams through which beneficiaries should experience increased income.

The Land Project is expected to assist rural and urban households in attaining more secure and useful tenure. Households in intervention areas should experience greater land tenure security and gain access to effective and less costly land registration documentation (land titles or certificates) through the systematic registration process. The project will promote key policy reforms and strengthen women's land rights under the new policy framework. These interventions should lead to greater perception of land tenure security and may induce productive investments in land leading to long-term income benefits. Formal land registration documents are also expected to facilitate land transaction, reduce costs of such transactions, and lead to increases in land value.

Beneficiaries of the Financial Services Project will be financial institutions and borrowers, and individuals that own micro, small and medium enterprises (MSMEs), are employed by, or do business with those enterprises. Women will also benefit as they represent almost half (47%) of micro finance clients in Benin. Project interventions should help financial institutions decrease operational costs and improve loan portfolio. The interventions should also facilitate beneficiaries' access to credit as the cost of credit should decrease and financial institutions able to engage in additional lending due to lower default. Improved access to credit should support productive investments and may generate greater profits for MSME owners and enhance employment.

The proposed Justice Project will complement the Access to Land and Access to Financial Services Projects by increasing the speed and likelihood of contract enforcement, and thereby influencing rural households and women's welfare. Through strengthening the legal and judicial environment, ordinary citizens, MSMEs, and all other commercial actors will benefit. Construction of new courts will reduce the average distance to courts. With less distance to travel, it is likely that there will be a rise in the number of litigants and as a result, an increase in the number of people who undertake and benefit from transactions that they would not have undertaken absent the investment in courts. Further, a legal aid fund will be established to support poorer litigants' access to law professionals' legal services and to information materials on processes and rights.

The main beneficiaries of the Markets Project are ship owners, firms operating within the Port and truck operators transporting cargo to and from the Port. In addition, it is expected that the Project will benefit Beninese consumers, rural and urban, through Port infrastructure and institutional improvements. It is anticipated that these improvements will decrease Port congestion, reduce shipment costs and thereby reduce prices of consumer goods and productive inputs imported through the port.

### ***1.3 Economic Rate of Return of the MCA Program and Projects***

Ex-ante estimates of the economic and poverty impact of the proposed Projects are based on the hypothesis that increased private sector activity resulting from these projects will increase the beneficiaries' incomes.

The economic rate of return for the MCA Benin Program was calculated through estimates of the quantifiable benefits of each project relative to each project's cost. The overall estimated economic rate of return to the MCA Program is 23.7% while that for each project is as follows:

- Access to Land: 23%
- Access to Financial Services: 25.8%
- Access to Justice: 24% and
- Access to Markets: 23.6%.

An ERR update and beneficiaries analysis has started in July 2011 and the final reports are awaited by the end of October 2011.

## ***1.4 Assumptions and Risks***

The program logic for the MCA-Benin Compact is based on evidence and specific assumptions about the linkages between individual Project Activities and the long-term goal of economic growth and poverty reduction. Assumptions informed the economic returns analysis while risks external to Program implementation are likely to affect Program success. To the extent possible, risk mitigation measures will be undertaken to ensure that assumptions are met and that risks are avoided. (In some cases, these risk mitigation measures have been used to condition disbursements of Program and Project funds in the Disbursement Agreement.) As shown in the following table, the Government of Benin and MCC have identified factors that could influence the progress and projected benefits of the Program.

Table 1 *Program Assumptions and Risks*

<b>Access to Land Project</b>
<b>Assumptions</b> <ul style="list-style-type: none"> <li>▪ Policy and legal reform will increase efficiency in land registration and thereby reduce cost and time to deliver new or converted land titles.</li> <li>▪ Households with registered land rights will perceive their land tenure to be more secure, thereby inducing private investment on rural and urban land and increasing household income.</li> </ul>
<b>Risks</b> <ul style="list-style-type: none"> <li>▪ Insufficient political will to implement recommendations of the land policy “white paper” could delay activity implementation and thereby decrease the Project’s expected benefits.</li> <li>▪ Land securitization may open dormant conflicts.</li> <li>▪ Land certificates and titles may not induce increased investment because of slow economic growth or inadequate credit supply in project areas. Pick up costs and low demand for land titles and certificates might undermine the actual take up of these documents.</li> <li>▪ The capabilities of implementing entities might constrain the number of land titles and certificates that can be issued. Slow administrative processes, inefficient management, and competing political pressure might make MCA project requirements a low priority and delay issuance of certificates and titles.</li> </ul>



**Risk Mitigation**

- Assessments to inform land policy decisions and implementation strategies under the Policy and Legal Reform Activity have convened stakeholder representative working groups. Educational campaigns and advisory services under the IEC Activity have helped ensure that citizens have a clear understanding of their rights and responsibilities, and can participate fully in the new processes of planning, land securitization and dispute resolution. Stakeholder involvement from the start and continuing through out the life of the Project contribute to increasing public and private officials' accountability in Project implementation.
- MCA Benin will build land conflict resolution into the Project. Tenure security should reduce the flow of land disputes brought to courts and reported by commune heads.
- MCA Benin has worked with implementing entities in the development and adoption of a procedures manual that specifies pick up costs and approaches to minimize burden on project beneficiaries. MCA Benin will provide financial and political support to ensure that implementing entities make certificate and title issuance an appropriate priority.

**Access to Financial Services Project****Assumptions**

- Enhanced institutional capacity among financial institutions will lower transaction costs and these savings in transaction costs will be passed on to MSMEs in the form of less expensive credit and other financial services.
- Improved scale and scope of financial services will meet MSME's demand for services.
- MSMEs will use increased credit and other financial tools productively, resulting in increased value-added to MSMEs.
- Financial institutions increase use of land titles as collateral for credit.

**Risks**

- Lenders may not be able to enforce debts or sell collateral upon client default, thereby eroding the use of land titles as collateral.

**Risk Mitigation**

- To help ensure the quality of Challenge Facility applications, MCA Benin conducted an extensive information campaign and support for grant application development. In addition, the amount allocated for the Challenge Facility is large enough to catalyze significant investments (such as IT investments), while being flexible enough to accommodate a range of projects and not distort the financial sector.
- Prior to commencing the Challenge Facility, the Project conducted a demand study for financial institutions' and business development services to MSMEs.
- The Justice Project complements the Financial Services Project and will improve the ability of financial services providers to take and enforce security interests in collateral. The Land and Financial Services Projects have conducted policy forums and advocacy that identified and facilitated needed reforms. In addition, the Financial Services Project is encouraging better collaboration between financial institutions and the land administration to eliminate procedural hurdles.

<b>Access to Justice Project</b>
<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Increased quantity of court employees and strengthened training for those employees will increase court efficiency, reduce case backlogs, and thereby decrease the cost and time of filing and resolving cases filed at courts (arbitration center and courts of first instance (TPI)).</li> <li>More efficient case management will increase firms' confidence in the judicial system.</li> <li>Increased access to legal information, to the arbitration center and to the courts of first instance will increase productive commercial transactions among firms involved in production in Benin. Emphasize importance of the LIC for sequencing and communication.</li> <li>The Legal Information Center (LIC) will raise awareness and enhance understanding of new legal codes (see below), to facilitate the practical adoption of these codes in the judicial system.</li> </ul>
<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>There is a risk that GoB does not increase the Ministry of Justice budget and is unable to fund recurrent costs such as staffing and maintenance of infrastructure of current and new courts.</li> <li>Corruption of judicial actors and lack of independence of the judiciary system sustains the current uncertainty about legal proceedings and thereby erode Project benefits.</li> <li>Confidence is not strong yet in local arbitral institutions in West Africa.</li> <li>The Justice sector strike adds to the already significant backlog in case management.</li> <li>The Legal Information Center has low administrative importance, is not implemented in a timely manner and fails to complement other Project components and legal reforms.</li> </ul>
<p><b>Risk Mitigation</b></p> <ul style="list-style-type: none"> <li>A large percentage of the Justice Project funding is to build courthouses. MCA-funded courthouse construction is dependent on improving several codes governing civil, commercial, administrative and social procedure that were passed in 2008.</li> <li>Precedent to the courts building activity, the GoB committed sufficient budgetary resources to support new judges and staff to ensure optimal operation of new courts throughout the country.</li> <li>Measures to facilitate removal of old cases from the TPI to CAMeC are being implemented. Such measures should reduce case backlog at the TPIs.</li> <li>MCA-Benin is supporting awareness campaigns to advocate for increased transparency in and independence of the judicial sector.</li> <li>MCC and MCA-Benin are providing technical assistance to ensure implementation of the Legal Information Center.</li> <li>Investment in improved courthouses and improved case management should help mitigate the adverse impacts of Justice sector strikes.</li> </ul>
<b>Access to Markets Project</b>
<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Improved Port infrastructure will reduce shipping costs to port users and thereby increase the flow of goods moving through the Port and value added to port users;</li> <li>Improved Port infrastructure will decrease the average duration of stay of trucks at the Port.</li> </ul>
<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Staff turnover within PAC may delay achievement of more efficient operations and implementation of the improvement program components, particularly the construction</li> </ul>

elements. New staff will need time to understand procedures and policies.

- The Port has a legacy of corruption.
- Currency fluctuations or negative international economic conditions (adverse terms of trade or changes in trade policies) could affect the cost of inputs and consumer goods to Benin, a net importer. The cost of imports could influence flow of goods moving through the Port and the value added to Port operators.
- Climate risks could destroy relevant infrastructure and increase sedimentation.

**Risk Mitigation:**

- MCC requires that the Port and MCA-Benin retain an agent construction manager as part of the implementation agreement. This agent will assist in the oversight of contractors and the overall construction process.
- The Compact and Disbursement Agreement require semi-annual independent financial audits of the Port of Cotonou, which include a forensic audit of the Ports' finances.
- The Compact and Disbursement Agreement also call for an independent Port Advisor, who has a permanent office adjacent to the office of the Director General of the PAC, and assists with all private management activities and operational improvements. Indicators have been introduced into the advisor's work plan to track his/her advances in combating corruption at the Port.
- Compact studies supporting the installation of a more streamlined customs management system will contribute to the Port's efficiency and transparency, reducing opportunities for informal payments.
- The Port is already operating above its designed capacity. Initial activities are improving land operations and should increase the efficiency of the existing facilities. Implementation of additional large capital projects is contingent on these improvements. Under the growth forecast, capacity will be fully utilized according to industry standards and should reduce the costs to port users.
- As a condition precedent to Port waterside improvement activities, the Project conducted initial technical studies to develop a series of options for sedimentation control and disposal. Subsequent feasibility and environment impact assessments will assess the best option among the alternatives for sedimentation control and disposal for implementation.

## 2. MONITORING COMPONENT

Monitoring key indicators during implementation helps track Program and Project performance, ensures that the posited economic benefits are being realized, and allows for necessary adjustments to improve Program and Project overall impact.

### *2.1 Indicators, Baselines and Targets*

The tables in Annex 2 to this M&E Plan present performance indicators for the Program by Project, along with their definitions, sources, baseline and target values. The performance indicators include goal, objective, outcome, output and process level indicators (described below).

**Goal-level indicators**, which will measure the results for the overall Program on the intended beneficiaries are:

- **Average household income in Access to Land areas and Access to Financial services areas**
- **Profits and wages of MSMEs benefiting from the Access to Financial Services capacity building activity**
- **Profits and wages of the Port of Cotonou users** (composed of Annual profits of Port users, Annual wages of Port users)

Under each Project, objective indicators have been identified that measure the specific Project's ultimate result. Outcome indicators measure the intermediate results achieved under each of the Project activities.

Some Project activities, such as land titling and challenge facility activities target a specific geographic region of the country. For such Projects, information is being collected for those beneficiaries and credible control groups to evaluate the impact of MCA interventions. (See the section on impact evaluation in this M&E plan for more information.)

Implementers have been consulted on output indicators at the beginning of implementation for the related Activity. Output indicators and corresponding targets for each project activity have been approved by MCA-Benin and MCC. This M&E Plan will be updated to reflect changes to those indicators in accordance with MCC Policy on Monitoring and Evaluation.

MCC and MCA agreed on a limited number of **process milestones** for each project with target dates for completion. These milestones shall consist of key bottlenecks, progression on activities such as construction or delivery of services. Process milestones shall be reported in each quarter's indicator tracking table. As this version of the M&E plan is from the fifth compact year, process milestones are relevant in a limited number of cases.

MCC has introduced **common indicators** for external reporting across all MCC Compacts. MCC sector experts have developed these indicators to document sector level progress relevant to different project activity types. The common indicators relevant to the MCA-Benin compact were added to a previous version of the M&E plan, specifically for the Access to Land Project.

## **2.2 Data Collection and Reporting Frequency**

The data collection timeline and reporting frequency are specified for goal, objective and outcome indicators and are included in Annex 5 to this M&E Plan. The indicator tracking table is the instrument for quarterly reporting to MCC.

## **2.3 Data Disaggregation by Gender, Income and Age**

The *Summary of Program and Objectives* section of this M&E Plan has provided a general description of participants and beneficiaries. MCA Project Directors are responsible for submitting information on participants disaggregated by gender, age and income level, to the extent that they are individually identifiable, to the M&E Director. This information is public and available on the MCA-Benin web site.

Annex 3 to this M&E Plan identifies which indicators should be disaggregated, to the extent that it is feasible and cost-effective. These disaggregations shall be made available upon request and will not be reported in the quarterly indicator tracking table, except gender disaggregation.

## **2.4 Data Sharing**

In support of MCC's policy for promoting transparency and publically disseminating projects results, all studies, surveys and data collected through MCA-Benin funding should be made publically available, following the Guidelines for Public Use Data at MCC (forthcoming) and in agreement with relevant MCA Benin partners.

## **2.5 Data Sources**

One important source for the goal-level household income data is the national statistics agency, INSAE. Along with several other donors, MCA Benin has financed the 2006-2007 baseline household survey (*L'Enquête Modulaire Intégrée sur les Conditions de Vie des ménages - EMICoV*) through a direct contract with INSAE. Compact funds will also support INSAE for follow up household surveys in 2010, and in 2011. These surveys will capture household income data as well as information on indicators such as investment in urban and rural land, perceptions of land tenure security, and land disputes.

The **Business Census** provides detailed information on revenue, profit levels and general characteristics of businesses in Benin (number and types of employees, and constraints to business operations). This census included both formal and informal businesses, but not businesses that lack a fixed location. Approximately 145,000 businesses were surveyed. While this census will provide baseline information on profits and revenues experienced by beneficiaries of the Access to Financial Services Project, data relevant to the Access to Land, Access to Justice and Access to Markets Projects have been collected as well. The initial census was carried out from October to December 2008. A follow up survey was carried out from June 13<sup>th</sup> to July 9<sup>th</sup> 2011, to capture impacts on beneficiaries of the Access to Financial Services Project and relevant comparison groups.

MCA has carried out a number of **sector studies** through qualified consultants to address gaps in the collection and reporting of data relevant to projects' performance indicators.

**Port user satisfaction study** captures information from all port users to convey what economic benefits are provided and are augmented through the Access to Markets project. This study consisted of a census of all the port's economic actors and a survey on a random sample of port users. For purposes of this baseline study, port users included ship owners, firms operating within the Port and truck operators. Using both administrative data and direct survey methods, this study captured the container ship traffic and volume of trade; costs and times of current procedures at port (for example average time to clear customs); port users business revenue, profits and employment; time required for trucks to cross the port areas; general user satisfaction levels; number and value of thefts, and corruption in the port's operation. The baseline study occurred in 2008. The first follow up study completed during 2010 has made available recent figures on above mentioned indicators. The process of the study report validation is ongoing. The second follow up survey planned for 2011, is also ongoing.

**DDET indicator study** collected data on key Access to Land performance indicators and contributed to improving DDET's data collection and reporting. This study used both administrative data and interviews with individual applicants to determine the costs and time involved in obtaining a land title through various approaches in both urban and rural settings. The study described each documentation and transaction required to obtain the land title, as well as the time and the cost involved. From the pool of land title applicants over the past 3 years, a random sample of applicants (stratified by rural/ urban, and title acquisition approach) was interviewed about all transactions and costs incurred for obtaining their title. First follow up that covered 2008 figures has been completed. The one that will take into account 2009 data is completed. A third follow up study will be completed at the end of the Compact.

**Business Registration Center Study** focused on improving data collection from the Business Registry Center (CFE - Centre de Formalités des Entreprises). CFE's administrative data informs the Access to Justice performance indicators on the "number of days to start a business" and the "number of new businesses registered in Benin". This study helped develop the methodology for calculating these indicators and built a database for tracking such information. The study conducted in 2008 provided data for the baseline and expected annual performance.

**Justice sector indicator study** collected data on key Access to Justice performance indicators and contributed to improving Justice's data collection and reporting. This study used both administrative data and interviews with individual applicants and led to the development of a comprehensive database to allow subsequent reporting on performance indicators. First follow up that covered 2008 figures has been completed. The one that will take into account 2009 data is also completed. The contract of the third follow up survey has been signed and it is planned that the final report should be available by the end of the Compact.

## **2.6 Data Quality Reviews**

Data quality reviews are used to verify implementation units' reported data and any survey data financed by or used to monitor the MCA-Benin Program. These reviews ensure that valid, reliable and timely data are collected for program monitoring and evaluation. Data quality reviews allow also to verify the quality of performance indicators at all levels across different implementation units and reporting institutions.

### **Internal Data Quality Reviews**

All actors implementing Project activities are responsible for transmitting reliable and accurate data to Project Directors, who then submit it to the Director of Monitoring and Evaluation. MCA-Benin conducts regular data quality reviews through various methodologies such as document review, random site visits and interviews with entities implementing and reporting on each of the Projects. These reviews are supplemented by reviews on data collection methodology or cross referencing with similar data sources, as desired by MCA-Benin or requested by MCC.

The national EMICoV survey incorporated data quality reviews during the three key survey stages: enumeration, data collection, and data treatment:

- During enumeration, controllers checked the precision of the survey lists
- During the data collection, a controller verified that enumerators were in the field, completing questionnaires, and that the data was coherent. Supervisors reviewed the work of controllers before forwarding the completed questionnaires to Cotonou to be entered in a database.
- During the data entry/data capturing, double entry was used to reduce errors, and INSAE performed logic checks on the data. Where questionnaires have been incorrectly completed or fail the logic checks, they were returned to the field and enumerators were asked to correct them.

## **External data quality reviews**

An independent, third-party entity is contracted to formally review the quality of all data collected through this M&E Plan to ensure that it is reliable, valid, and submitted in a timely manner.

The first data quality review was executed in 2007 and a second review was conducted in 2008. Both data quality reviews identified strategies for improving data quality. MCA Benin has implemented certain recommendations from the first data quality review. Certain recommendations from the second data quality review have also been implemented. Another data quality review has started in February 2011. Its field of interest covered the project specific studies and surveys as well as the national data gathering surveys. The final report was made available in July 2011.

## ***2.7 Progress Reports***

MCA-Benin reports quarterly on the progress of each of the four Projects using the indicator tracking table and the quarterly narrative report (included as part of the quarterly disbursement package). While these instruments serve to inform MCC of quarterly progress, MCA also publically disseminate performance information on a quarterly basis through the MCA-Benin website. The MCA Benin compact year runs from October 1<sup>st</sup> to September 30. The first reporting quarter (Q1) ended on December 31, 2006.

**Quarterly Narrative Reports** are submitted each quarter along with the disbursement request and should correspond to the MCC guidance on quarterly narrative reports.

An **Annual Supplement** is submitted following the end of each US fiscal year (October 1-September 30). The Annual Supplement provides a comprehensive overview of progress toward achieving Compact goals and objectives over the preceding year. The Annual Supplement also provides additional information on the consultative process, donor coordination, lessons learned and best practices.

At the program end, MCA Benin will prepare a Compact **Completion Report** (CCR) as part of its closeout procedures. The CCR shall be prepared according to guidelines provided by MCC taking into consideration, among other things, the objectives and content of the Impact Evaluation.

All reports should be posted on the MCA-Benin website.

### **3. EVALUATION COMPONENT**

#### **3.1 *Interim Evaluation***

An interim evaluation was conducted during the third compact year. This evaluation has analyzed the level of completion of various activities, progress achieved on all of the indicators, and implementation of the M&E plan. This allowed for necessary corrections to be made in order to achieve the expected results. Performance data was also contextualized in Benin's current economic and political circumstances to help identify constraints and challenges to be addressed.

In addition to quantitative data obtained from EMICoV and other surveys, the interim evaluation has been based on interviews and beneficiary focus groups. This qualitative assessment allowed for a better understanding of perceptions of individuals (by gender, income and age), firms, and actors in various sectors regarding the program's implementation and interim results.

#### **3.2 *Impact Evaluation***

Ex-ante estimates of the economic and poverty impact of the proposed Projects are based on the hypothesis that increased private sector activity resulting from these projects will increase the incomes of beneficiaries. A rigorous impact evaluation seeks to test this main hypothesis and the causal links underlying it, and provide information on the cost-effectiveness of individual interventions.

MCC has contracted a third-party, independent impact evaluation specialist to design, implement and oversee a rigorous impact evaluation of the MCA-Benin Program. Concurrent to the development of this M&E Plan, a team of evaluation specialists from NORC has worked with MCC staff and MCA-Benin to develop an evaluation methodology and implementation plan to assess the impact of the following Projects:

- Access to Land
- Access to Financial Services.

Impact evaluation implementation activities are taking place throughout the life of the Compact and are designed to minimize disruption to Program implementation. In addition, MCC plans to hire impact evaluators to conduct post-Compact evaluations. Annex 7 details the ongoing impact evaluation methods for Access to Land and Access to Financial Services projects.



### **3.3 *Ad-hoc evaluations and special studies***

MCC and MCA-Benin can conduct ad-hoc evaluations or special studies during the life of the Compact. These can concern the Projects or the Program as a whole. The evaluators are independent and recruited in a competitive manner.

A **Social Audit** was conducted in 2009 to examine Benin's Civil Society's perception on the MCA Benin compact implementation. This study was conducted by Social Watch (a Beninese NGO) and aimed to gather civil society feedback on issues of transparency and effectiveness of the program's implementation. Issues examined included: transparency in financial management, effectiveness of the consultation mechanisms, and feedback from final beneficiaries on how projects are impacting them and their opinion of the MCA Benin program. Social Watch conducted document analysis, focus groups, and key informant interviews with Implementing Entity Partners, service providers, Ministries and final project beneficiaries.

**Implementing Entity Satisfaction Study** analyzed how effectively MCA Benin is working with its implementation partners. It specifically analyzed the satisfaction level of implementing entities working with MCA Benin, such as of partner agencies (ministries, etc), service providers, and final beneficiaries. It included a structural analysis of the nature of each partner's relationship with MCA. The study examined partners' understanding and familiarity with MCA Benin's procedures (including contracting details for service providers). A survey was conducted of implementation partners, final beneficiaries of each project, local authorities. The initial study was conducted in 2008 through 2 steps. The last step has been completed at the end of 2010.

The **Challenge Facility Demand Study** examined characteristics of micro, small and medium size enterprises in Benin. The objective was to determine their involvement in the financial sector, use of credit for investment purposes, access and demand for credit. This study also captured information on business revenues and profits, as well as perspectives of corruptions and bottlenecks related to the justice sector. The methodology included a survey of informal and formal businesses, with 40% of the sample as informal businesses owned by women. This study was completed in 2007.

MCA-Benin has also launched a data collection on 65 Challenge Facility beneficiary projects for impact evaluation purpose. The survey sample is 3,023 taking into account the 3 components of the Facility funds and includes the MFI central and local agencies, the real sector projects and their clients. The first of the survey completed during 2010 has provided a baseline data on socio-demographic characteristics, production, salaries, satisfaction and the beneficiaries' needs. The second step of the survey took place on April 2011 and the last step of the survey took place in August 2011.

Procurement process of another survey on PH-TF and PFR follow up is completed. This survey aims to make available relevant data on these 2 activities' beneficiaries.

## **4. ADMINISTRATION AND MANAGEMENT OF M&E**

The Director of Monitoring and Evaluation works under the supervision of MCA-Benin's National Coordinator and is the guarantor for all aspects of monitoring and evaluation. In addition to the M&E Director, Project Directors of the four Projects (Access to Land, Access to Financial Services, Access to Justice, and Access to Markets) and their respective teams are responsible for fulfilling their reporting requirements, as coordinated with the M&E division. In addition, external agencies responsible for submitting M&E information to MCA-Benin have appointed M&E focal points (e.g. Ministry of Justice, PAC, Chamber of Commerce, Customs, etc). An M&E management information system is in place to facilitate the exchange of information in all directions.

### ***4.1 M&E Director responsibilities***

The MCA-Benin Monitoring and Evaluation Director is responsible for:

- Establishing the ongoing monitoring and evaluation team;
- Developing and supervising an ongoing monitoring and evaluation strategy;
- Ensuring that M&E Plan is modified and updated with improved information (updating indicators, baselines and targets upon the receipt of information from technical studies and in-take surveys), where any indicator, baseline and target revisions must be approved by MCC and follow revision procedures noted below;
- Ensuring that management staff and implementing entities are receiving adequate support to execute their M&E responsibilities (providing monitoring and evaluation training of MCA Management staff and program implementers);
- Establishing the data collection, analysis, and reporting system for the overall program;
- Overseeing data collection from all sources (e.g. INSAE, PAC, DDET) and the design of a data management system;
- Participating in the monitoring of performance of individual program components directly through project visits, reviewing project reports, and reviewing secondary data and analysis;
- Preparing and conducting procurement for various M&E contracts (Management Information System, data quality reviews etc.)
- Organizing and overseeing data quality audits;
- Developing a schedule for interim program evaluations and process for selecting independent evaluators;
- Cooperating with third party Impact Evaluation specialist(s) for the design, implementation and dissemination of the interim and final Program Evaluation;
- Publishing periodical reports of the ongoing program monitoring and evaluation that are submitted to MCA-Benin's Board and MCC; and making them publicly available on the MCA-Benin website;
- Coordinating regular public outreach to stakeholders, NGOs, and other elements of civil society regarding program design and impact, as a part of the larger ongoing consultative process.
- Developing and overseeing the M&E budget (Annex 1 provides a breakdown of the original M&E budget)

## ***4.2 Management Information System***

MCA-Benin has contracted a firm to develop a database to manage all of the M&E information requirements. The information system tracks data on activity-level progress according to work plan chronologies, progress by geographic area of the Program and/or Projects, and progress by implementing entity.

This new system allows for:

- regular and quick flow of data between the various MCA-Benin divisions and that of Monitoring & Evaluation;
- data collection on the evolution of the activities and all of the indicators;
- compatibility with existing and relevant data bases (e.g. INSAE, PAC, MAEP, MEHU, Cellule de Microfinance, etc);
- production of clear, relevant and accessible status reports;
- receipt of and response to information requests;
- updated availability to all stakeholders of current information on the program's progress for compliance, management and decision tracking.

MCA Benin's Monitoring and Evaluation information system aims to facilitate annual information updating, reporting and adoption/involvement of all partner organizations in this system. MCA Benin launched a study to help modernize the monitoring of public investment projects of certain ministries working with the MCA Program and other relevant support ministries. This study builds on MCA Benin lessons in M&E, effective practices and appropriate technology, so as to transmit these lessons to relevant ministries and lead to improved monitoring and reporting. This study's diagnostic phase was completed in 2009.

## ***4.3 Revisions to the M&E plan***

Any changes proposed for the M&E plan, including indicators, definitions and targets, must be approved by MCC and be in accordance with MCC Policy on Monitoring and Evaluation. Any substantial changes to the M&E plan must be appropriately justified, documented, and approved by the MCA Benin Board and MCC.

**Annex 1 DRAFT Benin M&E Budget<sup>4</sup>**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total US\$ (millions)
<b>Monitoring and Evaluation Manuals</b>	0.001					0.001
<b>Monitoring and Evaluation training for MCA-Benin staff and implementing entities</b>	0.01					0.01
<b>Database and Information Management (networking, design, training and implementation)</b>	0.06	0.18	0.17	0.07	0.07	0.55
<b>National Data Gathering Surveys</b>						
Follow up Integrated Survey of Living Standards (Enquête Modulaire Intégrée sur les Conditions de Vie des ménages au Bénin—EMICOV)		0.54	0.54	0.54	0.74	2.36
<b>Special Project Surveys/Studies</b>						
Special surveys under the Access to Financial Services Project		0.07	0.07	0.06	0.08	0.28
Special surveys under the Access to Markets Project	0.04	0.07	0.07	0.06	0.08	0.32
Baseline data collection for the study of the impact of port improvements on consumer welfare	0.02					0.02
Baseline data collection on value added to port users, port user satisfaction, and number of crimes on the port	0.03					0.03
Special surveys under the Access to Justice Project		0.11	0.11	0.1	0.11	0.43
<b>Monitoring and Evaluation Reports</b>						
Reports on Monitoring Indicators (quarterly and annual)	0.10					0.10
Site visits (quarterly)	0.08					0.08
Study tour	0.02	0.11	0.1	0.09	0.11	0.43
<b>Mid Term and Final Impact Evaluations (data collection and analysis)</b>	0.10	0.18	0.18	0.14	0.23	0.83
<b>Third Party Data Quality Reviews</b>	0.07	0.18		0.18		0.43
<b>Outreach Meetings</b>	0.09					0.09
<b>Logistical Support</b>	0.05					0.05
<b>Monitoring and Evaluation Total</b>	<b>0.67<sup>1</sup></b>	<b>1.44</b>	<b>1.24</b>	<b>1.24</b>	<b>1.42</b>	<b>6.011</b>

1. The Government of Benin's contribution to MCA funded year 1 EMICoV activities and therefore is not included in the above budget. As a result, M&E Plan budget for year one is lower than that described in the Compact.

<sup>4</sup> The data of this sheet dated of 2006.

## ANNEX 2: Performance Indicators- Definitions, sources, reporting frequency, units, baseline and target values

### Compact

Goal/ Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
<b>Increased annual household income in areas targeted by Access to Land and Access to Financial Services projects</b>	Annual average income of households in the intervention areas of the Access to Land and Access to Financial Services Projects	Annual average revenue and consumption level per household in the Project land/financial services areas	EMICoV	2006, 2009 and 2011	Constant US \$	Level	1,457 (2006)					1,578	1,578
	Annual average income of households in non benefiting areas	Annual average income level per household in the non benefiting land/financial services project	EMICoV	2006, 2009 and 2011	Constant US \$	Level	511 (2006)					1,467	1,467
<b>Increased value added to MSMEs</b>	Increased profits and wages of MSMEs receiving benefit from the "Access to Financial Services Project" capacity building activity	Additional profits and wages of MSMEs that are clients of institutions benefiting from the Financial Innovation and Expansion Challenge Facility	Data, Challenge Facility monitoring data Enterprise census	2009, 2010 and 2011	Constant US \$ Millions	Level	0					5	5

<b><i>Increased value added to port infrastructure improvements</i></b>	Profits and wages of port users	Total profits and wages of Port users	Survey on Port of Cotonou	2008, 2009, 2011	Constant US \$ Millions	Level	285 (2008)					331	331
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## ACCESS TO LAND PROJECT

Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
<b>Increased investment in rural and urban land</b>	Percentage of households investing in targeted rural land parcels	Percentage of households with at least one member making financial or in kind investment on rural land parcels in PFR intervention areas	EMICoV	2006, 2009 and 2011	%	Level	43 (2006)			45		47	47
	Percentage of households investing in rural land parcels in non intervention areas	Percentage of households with at least one member making financial or in kind investment on rural land parcels outside of project areas <sup>5</sup>	EMICoV	2006, 2009 and 2011	%	Level	38 (2006)			40		42	42
	Percentage of households investing in targeted urban land parcels	Percentage of households with at least one member making financial or in kind investment on urban land parcels in intervention area	EMICoV	2006, 2009 and 2011	%	Level	40 (2006)			43		48	48

<sup>5</sup> These non intervention areas are the control villages selected as part of the impact evaluation lottery. The non intervention urban parcels include urban areas where the conversion of occupancy permits to land titles is not taking place.

Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
	Percentage of households investing in non intervention urban parcels	Percentage of households with at least one member making financial or in kind investment on urban land parcels in non intervention area	EMICoV	2006, 2009 and 2011	%	Level	32 (2006)			33		35	35
<b>Outcomes</b>													
<b>Reduced costs to obtain a land title</b>	<b>Average cost of on demand PH-TF conversion</b>	Average cost to obtain a new land title through on demand conversion of occupancy permit	DDET administrative data and DDET indicator study	2007, 2008, 2009 and 2010	F CFA	Level	489,578					67,768	67,768
	<b>Government unit cost for PH-TF conversions in pilot and project areas</b>	Total cost paid to obtain a new land title through existing pilot title conversion	CNAO-TF	2011	F CFA	Level	150,000					81,778	81,778
	<b>Price paid by citizen for land title in pilot and project areas</b>	Average cost to obtain a land title through occupancy permit conversion in project areas benefiting from project's systematic conversion process	DDET and National Commission for PH-TF conversion administrative data or through independent survey data	2011	F CFA	Level	100,000					25,000	25000



Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
<b>Improved take up of new land titles</b>	Take up rate of new land titles in pilot and project areas	Share of new titles claimed by final beneficiary each year relative to the total number of titles issued per year in pilot and project areas	DDET administrative data	Annual	%	Cumulative	10				30	50	50
<b>Increased perception of land tenure security</b>	Share of respondents perceiving land security in PH-TF and PFR areas	Share of respondents in areas benefiting from PH-TF conversion or PFR that perceive increased land security	EMICoV data	2009 and 2011	%	Level	29 (2006)			38		44	44
<b>Outputs</b>													
<b>Policy and Legal Reform</b>	Number of preparatory Studies Completed	Total number of assessment reports informing land policy completed in the MCA Benin policy and legal reform framework	MCA Access to Land Project	Annual	Number	Cumulative	0		16				16
	Number of legal and regulatory reforms adopted	Adoption of the new land code text	MCA Access to Land Project	Annual	Number	Cumulative						1	1

Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
<b>Achieving Formal Property Right to Land</b>	Number of new land titles obtained by transformation of occupancy permit in pilot and project areas	Total number of new land titles obtained by conversion of an occupancy permit, per year	DDET – National Commission PH - TF	Annual	Number	Cumulative	1,453				15,000	30,000	30,000
<b>Achieving Formal Property Right to Land</b>	Number of urban parcels mapped <sup>6</sup>	Total number of urban parcels surveyed as in PH-TF conversion project areas	DPAF/ CNAO-TF	Annual	Number	Cumulative	0				15,000	30,000	30,000
	Number of permanent stations installed	Total number of stations with CORS/GNSS equipment installed	DPAF	Annual	Number	Cumulative	0			7			7
	Stakeholders Trained	Number of public and private surveyors trained in GPS use in the PFR implementation framework	DPAF	Annual	Number	Level	0			50	50	50	50
	Number of Stakeholders reached	Number of heads of households participating in project activities <sup>7</sup>	ATL/ GIZ	Annual	Number	Cumulative					60,000	60,000	60,000

<sup>6</sup> This indicator is being tracked in the M&E plan as part of MCC's requirements for common indicator reporting

<sup>7</sup> This indicator is being tracked in the M&E plan as part of MCC's requirements for common indicator reporting.

Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
	Number of PFR established within MCA Benin implementation	Total number of PFR completed in targeted villages, during each year	GIZ IS - ATL	Annual	Number	Cumulative	0				120	300	300
	Number of land certificates issued within MCA-Benin PFR implementation	Total number of land certificates issued within MCA-Benin implementation per year	GTZ IS - DPAF	Annual	Number	Cumulative	0				30,000	75,000	75,000
	Rural hectares formalized	Number of hectares of rural land with certificates that provide formal government recognition of ownership and/or use rights <sup>8</sup>	GTZ IS - DPAF	Annual	Hectare	Cumulative	0				132,000	330,000	330,000
	Number of communes benefiting from capacity building plans within MCA-Benin implementation	Total number of communes that have benefited from capacity building for PFR implementation	GTZ IS - DPAF	Annual	Number	Cumulative	0			10	24	40	40

<sup>8</sup> This indicator is being tracked in the M&E plan as part of MCC's requirements for common indicator reporting. The targets and actual have been established with estimates of 200 parcels per village and an average parcel size of 5.5 hectares.

Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
	Number of village land management sections installed within MCA Benin implementation	Number of SVGF started, per year, in communes benefiting from PFR	GTZ IS - DPAF	Annual	Number	Cumulative	0		80	190	300		300
	Equipment purchased	Value of equipment procured by MCA Benin for Access to Land project	MCA Benin procurement	Quarterly	US \$ million	Cumulative	0			1.535	5.632	6.133	6.133
<b>Improve Land Registration Services and Land Information Management</b>													
	Number of department level land registration offices opened (CDD)	Number of department level services of registration and land information management opened	DDET	Annual	Number	Cumulative	0			6	12	12	12
	Number of communes with new cadastres	Total number of communes with new cadastres	National Geographic Institute – ATL	Annual	Number	Cumulative	0					3	3
	Number of land information systems installed	Number of land information systems installed at communes level	GIZ	Y5	Number	Cumulative	0					40	40

## ACCESS TO FINANCIAL SERVICES PROJECT

Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact
<b>Expanded access to financial services</b>	Value of credits granted by MFI institutions (at the national level)	Total value of all outstanding loans granted by all MFIs authorized by CSSFD	CSSFD	Annual	Millions of FCFA	Level	67,091 (2005)			75,541		88,697	88,697
	Value of savings collected by MFI institutions (at the national level)	Total value of savings at MFIs authorized by CSSFD	CSSFD	Annual	Millions of FCFA	Level	38,269			95,673		107,154	107,154
	Number of loan recipients of Micro Finance Institutions at the national level	Total number of individual clients or businesses with an outstanding loan from MFIs authorized by CSSFD	CSSFD	Annual	Number	Level	122,769			141,184		153,461	153,461
	Number of savers among Micro Finance Institutions at the national level	Total number of individual clients or businesses with savings deposited at MFIs authorized by CSSFD	CSSFD	Annual	Number	Level	46,947			107,978		117,368	117,368
<b>Outcomes</b>													
<b>Strengthened capacity of financial institutions</b>	Average portfolio-at-risk > 90 days of microfinance institutions (MFIs) participating in the Challenge Facility	Average share of all outstanding loans with one or more installments 90 days overdue, among MFIs participating in the Challenge Facility	CSSFD	Quarterly	%	Level	5.9			4.1	3.5	3	3

Objective	Indicator	Definition	Source	Reporti ng frequen cy	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact
	Average portfolio-at-risk > 90 days of microfinance institutions (MFIs) at the national level	Average share of all outstanding loans with one or more installments 90 days overdue, among MFIs supervised by CSSFD	CSSFD	Quarterl y	%	Level	11 (2005)		10	9	9	6	6
	Operational self-sufficiency of participating MFIs	Share of costs covered by operating revenues among MFIs participating in the Challenge Facility (annually) Operating revenue/(financial expense + loan loss provision + operating expense)	CSSFD	Annual	%	Level	85			90	95	100	100
	Operational self-sufficiency of MFIs at the national level	Share of costs covered by operating revenues among all MFIs (national level), annually	CSSFD	Annual	%	Level	103			106	109	112	112
<b>Strengthened monitoring capacity of Supervisory Authority</b>	Number of MFIs inspected by CSSFD	Total number of MFIs who have received an inspection mission in the last year	CSSFD	Quarterl y	Number	Level	27 (2005)		35	40	45	50	50
	Systemic risk coverage rate by inspections	Share of the risks associated with inspected MFIs relative to risk of all MFIs supervised by CSSFD	CSSFD	Annual	%	Level	63			76	83	90	90

Objective	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact
	Sanction application rate following inspections	Share of sanctions implemented compared to total number of sanctions noted following inspections	CSSFD	Annual	%	Level	0		25	40	60	70	70
	Average time for treating an application for MFI authorization	Average amount of time for the CSSFD to process and transfer authorization applications, with its recommendations, to the BCEAO, the Banking Commission and the Minister of Finance	CSSFD	Annual	days	Level	90		60	50	40	30	30
	Rate of MFI applications authorized by CSSFD	Percentage of MFI applications authorized, relative to MFI applications	CSSFD	Annual	%	Level	96		96	98	99	100	100
	Qualified CSSFD staff has been hired	The date the qualified staff hired for CSSFD begin working.	CSSFD	Annual	Date	Date				Nov. 2008			Nov. 2008
<b>Improved use of land titles as collateral</b>	Number of new loans guaranteed with land titles	Total number of title-based loans	DDET and ad hoc surveys	Annual	Number	Cumulative	218 (2007)			468	768	1118	1118

	Indicator	Definition	Source	Reporting frequency	Unit	Classification type	Baseline value	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact
<b>Outputs</b>													
<b>Strengthened capacity of financial institutions and borrowers</b>	Number of institutions receiving grants through the Facility	Number of institutions receiving grants through the Challenge Facility	MCA Access to Financial Services project	Annual	Number	Cumulative	0			40	55		55
<b>Financial enabling environment</b>	Number of financial institutions trained on use of land titles as collateral in loans or refinancing	Total number of institutions trained on the use of land titles as a collateral for new credit or refinancing, per year	MCA Access to Financial Services project	Annual	Number	Level	0			20	20	20	20
	Number of MFI audits conducted	Total number of MFI audits conducted	MCA Access to Financial Services project	Annual	Number	Cumulative	0	5	15	25	35	40	40
	Number of stakeholder fora held	Number of fora held by stakeholders in the financial services sector	MCA Access to Financial Services project	Annual	Number	Cumulative	0		2	5	8	10	10
<b>Process</b>													
	MCC approval of grants awarded to eligible projects (1st round)		MCA Access to Financial Services project	One time	Date	Date			Jul-08				Jul-08
	Launch second call for proposal for grants		MCA Access to Financial Services project	One time	Date	Date				Dec-08			Dec-08
	Grants awarded to eligible projects (2nd round)		MCA Access to Financial Services project	One time	Date	Date				Mar-09			Mar-09



	Qualified CSSFD staff has been hired		MCA Access to Financial Services project	One time	Date	Date				Nov-08			Nov-08
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## ACCESS TO JUSTICE PROJECT

Goal/ Objective	Indicator	Definition	Source	Reporting frequency	Unit	Indicator classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
Objective													
Improved capacity of the justice system to enforce contracts and reconcile claims	Average time required to enforce a contract	Number of days associated with filing payment dispute in court until moment of actual payment	Doing Business Report (World Bank )	Every 2 years	Days	Level	720 (2006)			470		370	370
	Average time required for TPI to reach a final decision on a case	Average time between first TPI hearing and final TPI decision on the case	Access to Justice specific survey	Annual	Months	Level	9.1 (2006)			9	6	3	3
	Average time required for TPI to reach a final decision on a case (from court case filing to court final decision)	Average time between TPI case filing and final TPI decision on the case	Access to Justice specific survey	Annual	Months	Level	21.23 (2008)					8	8
	Average time required for Court of Appeals to reach a final decision	Average time between first hearing at Court of Appeals and final Court decision on the case	Access to Justice specific survey	Annual	Months	Level	22.63 (2006)			20	17	15	15
	Average time required for Court of Appeals to reach a final decision on a case (from court case filing to court final decision)	Average time between Court of Appeals case filing and final Court decision on the case	Access to Justice specific survey	Annual	Months	Level	27.66 (2008)					24	24

	Percent of firms reporting confidence in the judicial system	Percent of firms surveyed who agree with statement "I have confidence in the judicial system"	Business Census	Year 3 and Year 5	%	Level	35			47		60	60
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Goal/ Objective	Indicator	Definition	Source	Reporting frequency	Unit	Indicator classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
Outcomes													
	% of cases resolved in TPI per year	Share of number of cases resolved compared to total outstanding stock of cases filed at TPI	DPP/ Justice Study & DPP/Justice administrative data	Every 2 years	%	Level	38			45		50	50
	% of cases resolved in Court of Appeals per year	Share of number of cases resolved compared to total outstanding stock of cases filed at Court of Appeals,	DPP/ Justice Study & DPP/Justice administrative data	Annual	%	Level	15			18	21	24	24
Improved access to the court system	Average distance required to reach TPI	Distance between village and jurisdictional TPI	Justice Ministry administrative data	Annual	Km	Level	36 (2002)					13,2	13,2
Improved enterprise registration center	Number of enterprises registered through the business registration centers	Annual number of enterprises registered with Chamber of Commerce Guichet Unique central or satellite offices	CCIB administrative data	Quarterly	Number	Level	1,822 (2005)			3222	2822	2322	2322

Goal/ Objective	Indicator	Definition	Source	Reporting frequency	Unit	Indicator classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact target
<b>Improved enterprise registration center</b>	Average time to register a business	Number of days associated with registering enterprises with Chamber of Commerce Guichet Unique central or satellite offices	CFE administrative data/CCIB	Quarterly	Days	Level	37			5	3	2	2
	Average time to register a sole proprietorship enterprise with CFE	Number of days associated with registering enterprise	Administrative data/CCIB	Quarterly	Days	Level	39			5	3	2	2
<b>Output</b>													
<b>Training of judges and court personnel (Courts activity)</b>	Number magistrates trained	Number of magistrates who receive at least one training per year	DPAJ	Quarterly	Number	Level	38		100	100	100	100	100
	Number of court clerks trained	Number of court clerks who receive at least one training per year	DPAJ	Quarterly	Number	Level	60		100	100	100	100	100
<b>Inspector general services</b>	Number of court inspections performed	Number of court inspections	Inspector General and Justice Ministry	Quarterly	Number	cumulatif	10			12	32	60	60
<b>Inspector general services</b>	Average number of inspections per court per year	Average number of inspections per court each year	Inspector General and Justice Ministry	Annual	Number	Level	1			1	2	2	2
<b>Legal information center (courts activity)</b>	Number of users of the legal information center	Number of legal information center users over the course of one year	DPP/Justice	Quarterly	Number	Cumulative	0					100	100

Goal/ Objective	Indicator	Definition	Source	Reporting frequency	Unit	Indicator classification type	Baselin e value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compac t target
<b>Process</b>													
	Passage of new legal codes		ATJ	One time	Date	Date			Dec-08				Dec-08
	Judges have been trained in inspection techniques		ATJ	One time	Date	Date			Dec-08				Dec-08
	Open door days hosted by Minister of Justice		ATJ	One time	Date	Date				Apr-09			Apr-09
	Start construction on legal information center		ATJ	One time	Date	Date					Apr-10		Apr-10
	ESMPs for regional courthouses approve		ATJ	One time	Date	Date				Jan-09			Jan-09
	Launch RFP for courts construction		ATJ	One time	Date	Date				Jan-09			Jan-09
	Legal aid services launched		ATJ	One time	Date	Date					Oct-09		Oct-09
	Selection of the Legal Aid first beneficiaries		ATJ	One time	Date	Date				Sep-09			Sep-09
	CFE information and outreach campaign executed throughout Benin		ATJ	One time	Date	Date				Sep-09			Sep-09
	Construction of legal information center completion rate	Level reached in the legal information	ATJ	Quarterly	%	Level	0				51.30	100	100

<b>Increased efficiency and improved services of courts and arbitration center</b>		center construction (physical)											
	Construction of Abomey Court Appeal completion rate	Level reached in the legal information center construction (physical)	ATJ	Quarterly	%	Level	0				50.90	100	100
	Construction of TPI Allada completion rate	Level reached in TPI Allada Calavi construction (physical)	ATJ	Quarterly	%	Level	0				45.36	100	100
	Construction of TPI Abomey completion rate	Level reached in TPI Abomey Calavi construction (physical)	ATJ	Quarterly	%	Level	0				51.64	100	100
	Construction of TPI Savalou completion rate	Level reached in TPI Savalou construction (physical)	ATJ	Quarterly	%	Level	0				51.91	100	100
	Construction of TPI Pobè completion rate	Level reached in TPI Pobè construction (physical)	ATJ	Quarterly	%	Level	0				42.00	100	100

## ACCESS TO MARKETS PROJECT

Goal/ Objective	Indicator	Definition	Source	Reporting frequency	Unit	Indicator classification type	Baseline value	Targets					
								Year 1	Year 2	Year 3	Year 4	Year 5	End of compact
Objectives													
Increase efficiency and volume of goods traffic through port	Volume of merchandise traffic passing through the Port of Cotonou	Total volume of exports and imports passing through Port of Cotonou	PAC administrative data	Quarterly	Millions of metric tons	Level	4.1 (2004)	4.9	5.4	5.6	5.9	6.3	6.3
Outcomes													
Streamlined customs clearance procedures	Average time to clear customs	Time associated with moving merchandise through customs procedures	Port user satisfaction study	Annual	Days	Level	4 (2006)			3	2	1	1
Increased Port user satisfaction	Port user satisfaction level	Share of port users satisfied with Port operations	Port user satisfaction level	Annual	%	Level	50 (2006)			65	70	75	75
Reduced average duration of truck stay in Port	Average duration of stay of trucks at Port	Average duration of stay of trucks at Port	Specific Access to Markets project study	Annual	Hours	Level	24 (2006)			18	12	7	7
Increased port security	Annual number of theft cases	Annual number of thefts within the Port area	Port gendarmerie	Quarterly	Number	Level	40	40	30	20	20		20
	Internal port circulation time	Average time required for trucks to exit port after loading is completed	PAC administrative data	Annual	Hours	Level	2	2	1	1		0.5	0.5
Waterside improvement	Container ship Waiting time at berth	Average container ship wait time at berth	PAC administrative data	Annual	Days	Level	2					1	1



	Container carriers Waiting time at anchor	Average container ship wait time at anchor	PAC administrative data	Annual	Hours	Level	16				6	4	4
<b>Outputs</b>													
<b>Port Security and land side improvement</b>	Port meets ISPS standards	Port meets ISPS standards	PAC administrative data	Annual	Date	Date	NA			September 2009			September 2009
<b>Port Institutional and Systems Improvement</b>	Execution rate of Training Plan	Percent of training plan executed	Access to Markets project	Annual	%	Level	0		100	100	100		100
<b>Process</b>													
<b>Port Institutional and Systems Improvement</b>	Lot 1 completion rate (Jetty extension)	Level reached in Jetty extension construction (financial)	Access to Markets project	Quarterly	%	Level	0				81	100	100
	Lot 2 completion rate (South berth construction)	Level reached in South berth construction (financial)	Access to Markets project	Quarterly	%	Level	0				50,37	100	100
	Lot 3 (Zoning, Electricity and Lighting, Fire Protection, ... ) completion rate	Level reached in Lot 3 construction (financial)	Access to Markets project	Quarterly	%	Level	0				57	100	100
	Lot 3 A ((Zoning, Electricity and Lighting) completion rate	Level reached in Lot 3A construction (financial)	Access to Markets project	Quarterly	%	Level	0					100	100

### ANNEX 3: Indicator gender Disaggregation

Indicator	Disaggregation	Feasibility of gender disaggregation
<b>Goal- Compact Level</b>		
Annual average income of households in the intervention areas of the Access to Land and Access to Financial Services Projects	Age and gender of household head, by department, by commune	<b>Gender disaggregation : Feasible</b>
Annual average income of households in non benefiting areas	Age and gender of household head, by department, by commune	
Increased profits of MSMEs receiving benefit from the "Access to Financial Services Project capacity building activity	By age and gender of MSME owner, by type of enterprise, by department, by commune (compare intervention and non intervention areas)	<b>Gender disaggregation : Feasible</b>
Increased wages of MSMEs receiving benefit from the "Access to Financial Services Project" capacity building activity	By age and gender of MSME owner, by enterprise type, by department, by commune (compare intervention and non intervention areas)	
Profits and Wages of port users	By type of port user	<b>Gender disaggregation : Not feasible</b>
<b>ACCESS TO LAND</b>		
Percentage of households investing in targeted rural land parcels	Investment type (real estate, agricultural production, industrial production), by head of household gender	<b>Gender disaggregation : feasible</b>
Percentage of households investing in rural land parcels in non intervention areas	Investment type (real estate, agricultural production, industrial production), by head of household gender	
Percentage of households investing in targeted urban land parcels	Investment type, by head of household gender	
Percentage of households investing in non intervention urban parcels	Investment type, by head of household gender	
Total cost of PH-TF conversion in pilot and project areas	By gender, by department, by project area	<b>Gender disaggregation : Feasible</b>
Average cost required to convert occupancy permit to land title through the systematic process	By gender, by department, by project area	<b>Gender disaggregation : Feasible</b>
Take up rate of new land titles	By gender, by department, by project area	<b>Gender disaggregation : feasible</b>
Share of respondents perceiving land security in PH-TF and PFR areas	By gender, by department, by commune, by project area (rural and urban)	<b>Gender disaggregation : Feasible</b>
Number of new land titles obtained by transformation of occupancy permit	By gender, by department, by commune	<b>Gender disaggregation : Feasible</b>
Number of public and private surveyors trained	Sector (public/ private), by gender	<b>Gender disaggregation : feasible</b>
Number of PFR established within MCA Benin implementation	By commune, By department	<b>Gender disaggregation : Not feasible</b>
Number of land certificates issued within MCA-Benin PFR implementation	by gender, by department, by commune, by project area (rural or urban)	<b>Gender disaggregation : Feasible</b>
Number of communes benefiting from capacity building plans within MCA-Benin implementation	By commune, department	
Number of village land management sections installed within MCA Benin implementation	By commune, department	
Number of communal service offices opened	By department	
Number of communes with new cadastres	By department	
<b>ACCESS TO FINANCIAL SERVICES</b>		
Value of credits outstanding at Micro Finance Institutions at the national level	MFI type, agency or branch	<b>Gender disaggregation : Not feasible</b>
Value of savings at Micro Finance Institutions at the national level	MFI type, agency or branch	<b>Gender disaggregation : Not feasible</b>
Number of loan recipients of Micro Finance Institutions at the national level	By MFI type, by gender of loan recipients	<b>Gender disaggregation : Feasible</b>
Number of savers among Micro Finance Institutions at the national level	By MFI type, by gender of savers	<b>Gender disaggregation : Feasible</b>
Average portfolio-at-risk > 90 days of microfinance institutions (MFIs) participating in the Challenge Facility	MFI type, agency or branch	<b>Gender disaggregation : Not feasible</b>
Average portfolio-at-risk > 90 days of microfinance institutions de (MFIs) at national level	MFI type, agency or branch	<b>Gender disaggregation : Not feasible</b>

Indicator	Disaggregation	Feasibility of gender disaggregation
Operational self-sufficiency of MFIs participating in the Challenge Facility	MFI type	<b>Gender disaggregation : Not feasible</b>
Operational self-sufficiency of MFIs at national level	MFI type	<b>Gender disaggregation : Not feasible</b>
Number of MFIs inspected by CSSFD	MFI type	<b>Gender disaggregation : Not feasible</b>
Sanction application rate following inspections	MFI type	<b>Gender disaggregation : Not feasible</b>
Average time for treating an application for MFI authorization	MFI type and by outcome of review (authorized, rejected or returned)	<b>Gender disaggregation : Not feasible</b>
Rate of MFI applications authorized by CSSFD	By MFI type and outcome of review (authorized, returned or rejected)	<b>Gender disaggregation : Not feasible</b>
Number of new loans guaranteed with land titles	by department, gender, type of financial institution	<b>Gender disaggregation : Feasible</b>
Number of institutions receiving grants through the Facility	by department, type of institution, by gender of institution head	<b>Gender disaggregation : feasible by the head of institution's gender</b>
Number of financial institutions trained on use of land titles as collateral in loans or refinancing	type of institution, by gender of institution head	<b>Gender disaggregation : feasible by the head of institution's gender</b>
Number of MFI audits conducted	By department, by gender of institution head	<b>Gender disaggregation : feasible by the head of institution's gender</b>
<b>ACCESS TO JUSTICE</b>		
Average time required to enforce a contract		<b>Gender disaggregation : Not feasible</b>
Average time required for TPI to reach a final decision	By jurisdiction, by type of case	The first justice sector indicators study and its follow up studies for 2008, 2009 and 2011 allow a disaggregation by jurisdiction and type of case
Average time required for Court of Appeals to reach a final decision on a case	By jurisdiction, by type of case	<b>Gender disaggregation : Not feasible</b>
Percent of firms reporting confidence in the judicial system	By head of firm gender	<b>Gender disaggregation : feasible</b>
Number of cases processed by the Arbitration center	Arbitration, conciliation, mediation, gender of business owner, amount of money involved	Data for these disaggregation will be available in CAMEC Database <b>Gender disaggregation : Feasible</b>
% of cases resolved in TPI per year	By jurisdiction, case type	Data for these disaggregation will be available in Justice sector Database
% of all cases resolved in Court of Appeals per year	By jurisdiction, case type	<b>Gender disaggregation : Not feasible</b>
Average distance required to reach TPI	By department	The first justice sector indicators study and its follow up studies for 2008, 2009 and 2011 allow a disaggregation by department <b>Gender disaggregation : Not feasible</b>
Number of enterprises registered through the business registration centers	By subscribed capital, social objective, by department, by gender of business owner	Disaggregation can be easily obtained for department. The others (subscribed capital, social objective gender of business owner) will also be available but hardly in CFE central and Antenna Database <b>Gender disaggregation : Feasible</b>
Average time to register a business	By department	<b>Gender disaggregation : Not feasible</b>
Average time to register a sole proprietorship enterprise with CFE	By department	<b>Gender disaggregation : Not feasible</b>
Number of businesses accessing CAMEC services	By subscribed capital, social objective, by department, by gender of business owner	Data for these disaggregation will be available in CAMEC Database <b>Gender disaggregation : Feasible</b>
Number magistrates trained	By gender and TPI or court of appeals of origin	Data for gender disaggregation will be available
Number of court clerks trained	By gender, TPI or court of appeals of origin	<b>Gender disaggregation : Feasible</b>

Indicator	Disaggregation	Feasibility of gender disaggregation
Number of court inspections performed	By jurisdiction	<b>Gender disaggregation : Not feasible</b>
Average number of inspections per court per year		<b>Gender disaggregation : Not feasible</b>
Number of users of the legal information center	By gender, age, socio professional category	Data for gender disaggregation will be available when Legal Information Center will be functional <b>Gender disaggregation : Feasible</b>
Number of IEC sessions hosted by CAMEC		<b>Gender disaggregation : Not feasible</b>
<b>ACCESS TO MARKETS</b>		
Volume of merchandise traffic passing through the Port of Cotonou	By imports and exports	Data for these disaggregation will be available in Port Autonome de Cotonou Database <b>Gender disaggregation : Not Feasible</b>
Port user satisfaction level	By gender of business owner, by business size	Only disaggregation by business size will be available <b>Gender disaggregation : Not feasible</b>
Bulk ship carriers waiting times at port		N/A
Average time to clear customs		N/A
Average duration of stay of trucks at Port	N/A	N/A
Annual number of theft cases	N/A	N/A
Internal port circulation time	N/A	N/A
Container ship Waiting time at berth	N/A	N/A
Container carriers Waiting time at anchor	N/A	N/A
Port meets ISPS standards		N/A
Execution rate of Training Plan		N/A

## ANNEX 4: Performance indicator revisions and modifications in the previous M&E plan (version 4)

Date of proposed modification: May 2009

**Project:** Access to Land

**Project Objective:** Strengthen property rights and investment

### Outcomes:

- Reduced time and cost to obtain a land title
- Increased perception of land tenure security

<b>Original indicator name:</b> Total investment in targeted rural land parcels, total investment in targeted urban land parcels
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> remove from M&E plan (and program logic diagram)
<b>Justification:</b> Reliable data is not available for this indicator

<b>Original indicator name:</b> Percentage of households investing in targeted rural land parcels, Percentage of households investing in targeted urban land parcels
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> add to M&E plan (and program logic diagram)
<b>Justification:</b> this indicator serves as a proxy for investment in land

<b>Original indicator name:</b> Reduced number of land disputes
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> remove from M&E plan (and program logic diagram)
<b>Justification:</b> Decrease in conflicts not expected before compact end

<b>Original indicator name:</b> Average time required to convert occupancy permit to land title
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> remove from M&E plan (and program logic diagram)
<b>Justification:</b> Indicator does not properly capture project impact (time for conversion expected to be influenced by project's systematic process)

<b>Original indicator name:</b> Average cost required to obtain a new land title
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> Change indicator to: "Average cost required to obtain a new land title through the on-demand process"
<b>Justification:</b> Indicator better measures performance by capturing impacts from the policy process (whereby the overall environment for land titling should be improved)

<b>Original indicator name:</b> Average cost required to convert occupancy permit to land title through systematic process
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> add to M&E plan
<b>Justification:</b> Current indicators do not properly capture performance- this indicator will measure the systematic process that the activity is expected to impact

<b>Original indicator name:</b> Take up rate of new land titles
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> add to M&E plan
<b>Justification:</b> Current indicators do not capture critical component for project's success

<b>Original indicator name:</b> Percentage of Benin population perceiving land security in targeted areas
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> Change indicator title to "Share of respondents perceiving land security in targeted areas"
<b>Justification:</b> Current indicator lacks precision

<b>Original indicator name:</b> Percentage of Benin population perceiving land security in non intervention areas
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> Change indicator title to "Share of respondents perceiving land security in non intervention areas"
<b>Justification:</b> Current indicator lacks precision

<b>Original indicator name:</b> Number of land disputes reported to commune heads
<b>Indicator type/ level:</b> Project outcome level indicator
<b>Modification:</b> remove from M&E plan (and program logic diagram)
<b>Justification:</b> Decrease in conflicts not expected before compact end

<b>Original indicator name:</b> Number of land disputes brought to courts
<b>Indicator type/ level:</b> Project outcome level indicator
<b>Modification:</b> remove from M&E plan (and program logic diagram)
<b>Justification:</b> Decrease in conflicts not expected before compact end

<b>Original indicator name:</b> Number of new land titles obtained by transformation of occupancy permit
<b>Indicator type/ level:</b> Achieving formal property rights output indicator
<b>Modification:</b> indicator changes from outcome to output level
<b>Justification:</b> Indicator was previously misclassified

<b>Original indicator name:</b> Number of urban parcels mapped
<b>Indicator type/ level:</b> Achieving formal property rights output indicator
<b>Modification:</b> this indicator was added to the M&E plan
<b>Justification:</b> MCC common indicator reporting requirements

<b>Original indicator name:</b> Number of land certificates established within MCA-Benin PFR implementation
<b>Indicator type/ level:</b> Achieving formal property rights output indicator
<b>Modification:</b> Indicator name changed to "Number of land certificates established within MCA-Benin PFR implementation"; indicator changes from outcome to output level
<b>Justification:</b> Wording changed to better reflect expected process, indicator was previously misclassified

<b>Original indicator name:</b> Rural hectares formalized
<b>Indicator type/ level:</b> Achieving formal property rights output indicator
<b>Modification:</b> this indicator was added to the M&E plan
<b>Justification:</b> MCC common indicator reporting requirements

<b>Original indicator name:</b> Number of commune covered by information campaign
<b>Indicator type/ level:</b> Improve Land Registration Services and Land Information Management Activity output indicator
<b>Modification:</b> remove from M&E plan

<b>Justification:</b> Indicator not critical for measuring project performance
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<b>Original indicator name:</b> Number of departments covered by regional micro diagnosis
<b>Indicator type/ level:</b> Improve Land Registration Services and Land Information Management Activity output indicator
<b>Modification:</b> remove from M&E plan
<b>Justification:</b> Indicator not critical for measuring project performance

<b>Original indicator name:</b> Number of villages covered by land diagnosis
<b>Indicator type/ level:</b> Improve Land Registration Services and Land Information Management Activity output indicator
<b>Modification:</b> remove from M&E plan
<b>Justification:</b> Indicator not critical for measuring project performance

<b>Original indicator name:</b> Number of studies complete
<b>Indicator type/ level:</b> Policy and legal reform output indicator
<b>Modification:</b> change from process milestone to output indicator
<b>Justification:</b> MCC M&E common indicator requirement

<b>Original indicator name:</b> Number of permanent stations installed
<b>Indicator type/ level:</b> Achieving Formal Property Right to Land output indicator
<b>Modification:</b> change from process milestone to output indicator
<b>Justification:</b> MCC M&E common indicator requirement

<b>Original indicator name:</b> Number of public and private surveyors trained
<b>Indicator type/ level:</b> Achieving Formal Property Right to Land output indicator
<b>Modification:</b> change from process milestone to output indicator
<b>Justification:</b> MCC M&E common indicator requirement

<b>Original indicator name:</b> Land market information system established
<b>Indicator type/ level:</b> Improved land registration services output indicator
<b>Modification:</b> change from process milestone to output indicator
<b>Justification:</b> MCC M&E common indicator requirement

<b>Original indicator name:</b> Number of operational land information systems
<b>Indicator type/ level:</b> Project level outcome
<b>Modification:</b> Change indicator to: "Number of land information systems installed" and change in the target
<b>Justification:</b> need of rewording and need of updating the target in line with the activity on field.

## **Project: Access to Financial Services**

**Project Objective:** Expand access to financial services

### **Outcomes:**

- Strengthened capacity of select financial institutions
- Strengthened monitoring capacity of Supervisory Authority
- Improve use of land titles as collateral

<b>Original indicator name:</b> Value of credits outstanding at Micro Finance Institutions at the national level
<b>Indicator type/level:</b> Project level outcome indicator
<b>Modification:</b> Change units from USD to FCFA; specify all outstanding loans
<b>Justification:</b> Previous indicator lacked precision and consistency

<b>Original indicator name:</b> Value of savings at MF institutions at the national level
<b>Indicator type/level:</b> Project level outcome indicator
<b>Modification:</b> Change units from USD to FCFA; specify all outstanding loans
<b>Justification:</b> Previous indicator lacked precision and consistency

<b>Original indicator name:</b> Number of loan recipients of Micro Finance Institutions at the national level
<b>Indicator type/level:</b> Strengthened capacity of financial institutions- outcome indicator
<b>Modification:</b> Indicator added to M&E plan
<b>Justification:</b> existing indicators do not sufficiently measure performance on project outcomes

<b>Original indicator name:</b> Number of savers among Micro Finance Institutions at the national level
<b>Indicator type/level:</b> Strengthened capacity of financial institutions- outcome indicator
<b>Modification:</b> Indicator added to M&E plan
<b>Justification:</b> existing indicators do not sufficiently measure performance on project outcomes

<b>Original Indicator name:</b> Average portfolio-at-risk > 90 days of participating MFIs
<b>Indicator type/ level:</b> Financial enabling environment - outcome indicator
<b>Modification:</b> clarify indicator definition to include all outstanding loans; baseline and targets changed to reflect inclusion of MFIs benefiting from the Challenge Facility
<b>Justification:</b> Previous indicator definition lacked precision

<b>Original Indicator name:</b> Average portfolio-at-risk > 90 days of microfinance institutions (MFI) at the national level
<b>Indicator type/ level:</b> Financial enabling environment - outcome indicator
<b>Modification:</b> clarify indicator definition to include all outstanding loans
<b>Justification:</b> Previous indicator definition lacked precision

<b>Original Indicator name:</b> Operational self-sufficiency of participating MFIs
<b>Indicator type/ level:</b> Financial enabling environment - outcome indicator
<b>Modification:</b> New baseline and target information to reflect inclusion of MFIs benefiting from the Challenge Facility
<b>Justification:</b> Relevant data was not previously available

<b>Original indicator name:</b> Number of MFIs inspected based on MCA funding
<b>Indicator type/ level:</b> Financial enabling environment- output indicator
<b>Modification:</b> Remove indicator
<b>Justification:</b> Indicator not necessary for measuring project performance

<b>Original indicator name:</b> Systemic risk coverage rate by inspections
<b>Indicator type/ level:</b> Financial enabling environment- outcome indicator



<b>Modification:</b> new baseline information with targets adjusted accordingly
<b>Justification:</b> The original baseline was incorrectly calculated. A new baseline has been added with targets following the same trend originally proposed for this indicator.

<b>Original indicator name:</b> Average time for treating applications for MFI authorizations
<b>Indicator type/ level:</b> Financial enabling environment- outcome indicator
<b>Modification:</b> change calculation methodology and disaggregation; change in definition
<b>Justification:</b> Current methodology does not take into account applications that are outstanding, indicator must be disaggregated by outcome: authorized applications; rejected applications; returned applications; the definition was adjusted to include “transfer authorization applications, with its recommendations”

<b>Original indicator name:</b> % of MFI applications authorized by CSSFD
<b>Indicator type/ level:</b> Financial enabling environment- outcome indicator
<b>Modification:</b> change calculation methodology and disaggregation
<b>Justification:</b> Current methodology does not take into account applications that are outstanding, indicator must be disaggregated by outcome: authorized applications; rejected applications; returned applications

<b>Original indicator name:</b> Number of institutions receiving grants through the Facility
<b>Indicator type/ level:</b> Capacity building activity- output indicator
<b>Modification:</b> Targets modified
<b>Justification:</b> schedule of targets modified to account for delayed implementation; change should have no significant impact on the economic rate of return

## **Project: Access to Justice**

**Project Objective:** Improve ability of justice system to enforce contracts and reconcile claims

### **Project Outcomes:**

- Increased efficiency and improved services of courts and arbitration center
- Increased access to court system
- Improved enterprise registration center

<b>Original indicator name:</b> Average time required for TPI to solve a case
<b>Indicator type/level:</b> Project level outcome indicator
<b>Modification:</b> Change in baseline and targets (note that updated calculation to be added)
<b>Justification:</b> New survey data provided a more accurate baseline

<b>Original indicator name:</b> Average time required for Court of Appeals to solve a case
<b>Indicator type/level:</b> Project level outcome indicator
<b>Modification:</b> Change in baseline and targets (note that updated calculation to be added)
<b>Justification:</b> New survey data provided a more accurate baseline

<b>Original indicator name:</b> Number of cases processed at the Arbitration Center
<b>Indicator type/ level:</b> Arbitration Center activity Outcome indicator
<b>Modification:</b> Targets changed
<b>Justification:</b> Project implementation was delayed due to external factors, target changes have no impact on project's economic rate of return

<b>Original indicator name:</b> % of cases resolved in TPI per year
<b>Indicator type/ level:</b> Courts Activity outcome indicator
<b>Modification:</b> Revised targets and baseline
<b>Justification:</b> New survey data provides more accurate reflection of baseline; denominator must include the total stock of outstanding TPI court cases

<b>Original indicator name:</b> % of cases resolved in Court of Appeals per year
<b>Indicator type/ level:</b> Courts Activity outcome indicator
<b>Modification:</b> Revised targets and baseline
<b>Justification:</b> New survey data provides more accurate reflection of baseline; denominator must include the total stock of outstanding TPI court cases

<b>Original indicator name:</b> Average distance required to reach TPI
<b>Indicator type/ level:</b> Courts Activity outcome indicator
<b>Modification:</b> Modify baseline, remove year 3 target
<b>Justification:</b> Activity implementation has been delayed and new survey data provides more accurate baseline; Change has no impact on economic rate of return

<b>Original indicator name:</b> Average time required to register an enterprise (société)
<b>Indicator type/ level:</b> Business Registration Activity outcome indicator
<b>Modification:</b> Change in baseline
<b>Justification:</b> Initial World Bank Doing Business data reflects limited number of CFE, new baseline includes CFE satellite offices

<b>Original indicator name:</b> Average time required to register an individual business
<b>Indicator type/ level:</b> Business Registration Activity outcome indicator
<b>Modification:</b> Change in baseline
<b>Justification:</b> Initial World Bank Doing Business data reflects limited number of CFE, new baseline includes CFE satellite offices

<b>Original indicator name:</b> Number of arbitrators and CAMEC staff trained in arbitration procedures, and ADR and arbitration management
<b>Indicator type/ level:</b> Arbitration Center Activity indicator
<b>Modification:</b> Remove from M&E plan
<b>Justification:</b> This indicator does not reflect a major activity of the Access to Justice project and information need not be conveyed to MCC

<b>Original indicator name:</b> Number of court employees trained (magistrates)
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> Change name to “Number of magistrates who have received at least one training”; changed target to reflect the actual number of magistrates in Benin
<b>Justification:</b> Avoid double counting training participants

<b>Original indicator name:</b> Number of court employees trained (court clerks)
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> Change name to “Number of court clerks who have received at least one training”; changed target to reflect the actual number of court clerks in Benin
<b>Justification:</b> Avoid double counting training participants

<b>Original indicator name:</b> Number of court employees trained (magistrates) in OHADA law
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> Remove from M&E plan
<b>Justification:</b> Indicator does not properly measure performance as beneficiaries are double counted and targets cannot be established accurately

<b>Original indicator name:</b> Number of court employees trained (court clerks) in OHADA law
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> Remove from M&E plan
<b>Justification:</b> Indicator does not properly measure performance as beneficiaries are double counted and targets cannot be established accurately

<b>Original indicator name:</b> Number of court inspections per year
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> targets reduced
<b>Justification:</b> original targets included 9 courthouses to be built under the project, but which will not be complete until the final compact year

<b>Original indicator name:</b> Average number of inspections per court per year
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> year 4 target added
<b>Justification:</b> reflect current implementation expectations, no impact on ERR

<b>Original indicator name:</b> Number of users of the legal information center
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> targets decreased
<b>Justification:</b> reflect that legal information center will not be operational until year 5

<b>Original indicator name:</b> Number of IEC sessions hosted for CAMEC
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> Added to M&E plan
<b>Justification:</b> Current indicators do not properly measure performance (the development of this activity has shown the increasing importance of marketing CAMEC services)

## **Project: Access to Markets**

**Project Objective:** Improved physical infrastructure

### **Project Outcomes:**

- Reduced ship wait time
- Streamlined customs clearance procedures
- Increased port user satisfaction
- Increased usage of import/export facilities of Port by fishing/seafood businesses

<b>Original indicator name:</b> Reduced Port Surcharges due to delay
<b>Indicator type/ level:</b> Projective level objective indicator
<b>Modification:</b> remove indicator temporarily
<b>Justification:</b> Current data source (Europe West Africa Trade Agreement) is no longer available, end of compact values on this indicator will be measured through a separate evaluation study

<b>Original indicator name:</b> Client Satisfaction with average customs clearance time at port
<b>Indicator type/ level:</b> Increased Port user satisfaction- outcome indicator
<b>Modification:</b> remove from M&E plan
<b>Justification:</b> indicator does not properly measure performance

<b>Original indicator name:</b> Bulk ship waiting times at port
<b>Indicator type/ level:</b> Project level outcome indicator
<b>Modification:</b> change reporting frequency
<b>Justification:</b> data available only twice a year

<b>Original indicator name:</b> Bulk ship waiting times at anchor
<b>Indicator type/ level:</b> Project level outcome indicator
<b>Modification:</b> remove from M&E plan
<b>Justification:</b> indicator is not critical for measuring performance

<b>Original indicator name:</b> Bulk ship waiting times at berth
<b>Indicator type/ level:</b> Project level outcome indicator
<b>Modification:</b> remove from M&E plan
<b>Justification:</b> indicator is not critical for measuring performance

<b>Original indicator name:</b> Volume of Seafood processed through BOC (tons)
<b>Indicator type/ level:</b> Increased use of import/ export facilities of Port by fishing/ seafood businesses- outcome indicator
<b>Modification:</b> changed to "Volume of seafood exports processed through Port of Cotonou", adjusted targets to reflect exports rather than the total quantity of fish processed
<b>Justification:</b> Seafood/ fish inspection center will not be complete before the end of compact

ANNEX 5: Draft Monitoring and Evaluation Timeline																					
		year 1				year 2				year 3				year 4				year 5			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Administration</b>																					
Fully staff MCA-Benin M&E team																					
Produce and distribute M&E manuals																					
Organize M&E training to be provided to the MCA management team and implementing entities																					
Obtain MCA-Benin Board approval/review of M&E plan																					
Hold quarterly monitoring meetings*																					
Produce and distribute annual reports																					
<b>Management Information System</b>																					
Design and roll-out																					
Data verification site visits/internal data quality reviews																					
External data quality reviews																					
<b>Goal-level data collection</b>																					
Household income																					
MSMEs' value added**																					
Port users' value added																					
<b>Project level data</b>																					
<b>Access to land***</b>																					
Investment in targeted rural land																					
Investment in targeted urban land																					
Respondents perceiving land security																					
Average times to obtain land titles																					
Average costs to obtain land titles																					
Number of land disputes brought to formal court																					
Number of comunal land disputes not brought to court																					
<b>Access to finance****</b>																					
Financial services extended by institutions																					
Portfolio-at-risk of participating MFIs																					
Operational self-sufficiency of participating MFIs																					
Number of MFIs supervised by the Cellule de Microfinance																					
Number of bank credits guaranteed with land titles																					
<b>NOTES</b>																					
B= baseline, D=design, R=reporting, C=collection, <b>Bold</b> =as specified in Annex 3 of the Compact																					
*Quarterly monitoring meetings will review data at all levels provided from other sources including: DDET, Cellule de Microfinance, PAC, Fisheries department, Ministry of Justice, Chamber of Commerce																					
**Data will be collected both on MSMEs that are participating in the program and those that are not.																					
***For most land indicators, data will be collected for areas that participate in the program and those that do not.																					
****For most finance indicators, baseline information on MFIs will be collected as they join the program.																					
§ Because the source of this indicator is the EMICOV survey, it will not be realistic to obtain it during the Compact's 4th year as was originally planned.																					

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<sup>9</sup> Note: this table dates from 2006.

\*\*Data will be collected both on MSMEs that are participating in the program and those that are not.

\*\*\*For most land indicators, data will be collected for areas that participate in the program and those that do not.

\*\*\*\*For most finance indicators, baseline information on MFIs will be collected as they join the program.

§ Because the source of this indicator is the EMICOV survey, it will not be realistic to obtain it during the Compact's 4th year as was originally planned.

	year 1				year 2				year 3				year 4				year 5		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Access to justice</b>																			
Average time required to make enforceable a contract								R				*				R			
Average satisfaction level with the judicial system reported by firms								R				*				R			
Number of cases treated at Arbitration Center								R				R				R			
% of all cases closed or/and emptied by the TPI								R				R				R			
Average distance required to reach TPI								R				R				R			
Number of enterprises registered through the registration center (guichet unique) ("societes" and "entreprises individuelles")								R				R				R			
Average time required by the CFE, to finalize the societe registration formalities								R				R				R			
Average time required by the CFE to finalize an enterprise registration formalities								R				R				R			
<b>Access to markets</b>																			
Volume of merchandise passing through the PAC				R				R				R				R			
Port surcharges due to delays								R				R				R			
Bulk ship waiting times at the port								R				R				R			
Average customs clearance times at the port								R				R				R			
Port user satisfaction			B					R				R				R			
Average duration of stay of trucks at port								R				R				R			
Volume of fish exports through the BOC																R			
<b>Evaluations</b>																			
Overall program evaluation	D	D	D					C				R							
Access to markets evaluation on consumer prices				D				C				C				C			

#### NOTES

\* Because the source of this indicator is the World Bank, it will not necessarily be updated according to the Compact year.

<sup>10</sup> Note: this table dates from 2006.

## **Annex 6: M&E studies results**

### **1. Port User Satisfaction Study**

This study's objective was to enumerate all business and entities operating within the Port of Cotonou and to establish baseline values for performance indicators critical to the monitoring and evaluation of the MCA Benin program. The study consisted of two phases. The first phase consisted of a census of all businesses and entities operating within the Port (including formal and informal businesses). In the second phase, a survey was carried out with a representative sample of the population of all port users, to acquire data on user satisfaction and knowledge of Port services. The key data sources for developing the study's sample frame were: the registry of all businesses and entities entering the port facilities; the Trade and Industry Ministry's registry of all exporters or importers (formal and informal); businesses registered with the National Social Security administration; and field work in the Port. The user satisfaction component of the study was administered on a sample of 1000 port users drawn from the population enumerated in the first phase.

In executing this study, difficulties encountered included the lack of physical address for port businesses and weak response or refusal by business owners to respond to certain survey questions, particularly on salary and business profits.

The survey results dating from 2008, aim to represent the 2742 port operators and users in the Port of Cotonou (ship operators, customs agents, businesses based in the port, importers and exporters associations and organizations). Some key findings in this survey included:

- Generally- services available in the Port are well understood by all port operators
- Businesses perceive a high level of theft and damage in the Port
- 2/3 of survey respondents perceived high levels of corruption in the Port, affecting all stages and processes in Port operations
- The level of satisfaction of operators and users is low: 59%
- The average truck circulation time in the Port is 104 hours (approximately 4 days) for freight operations

The principal recommendations are to install computerized access to the Port in order to better identify Port users (and prevent unauthorized users from entering the port); implement a measurement system to record the time and cost of services offered in the Port; create and adopt a procedures manual that formalized and documents working procedures and management rules; developing an ISO 9001 compliant quality management system; introduce an activity management system and client complaint management system.

The baseline study occurred in 2008. The first and second follow up studies will made available recent figures on above mentioned indicators for 2010 and 2011 years. The process of their reports validation is ongoing.

### **2. Business Registration Center Indicator Study**

The study dating from 2008, aimed to collect, organize and deliver reliable baseline data for performance indicators based on the Business Registration Center (CFE) activities. This study required extensive fieldwork to develop a database for these indicators (visiting field offices, interviewing key agents in registration activities). Baseline values for indicators on *Days to register a business* and the *Number of businesses registered annually* were calculated after a thorough review of the registry centers database.

Difficulties encountered throughout this study included: information missing from the registration application submitted by business owners, missing copies of registration documents, and delays in developing a comprehensive database.

The recommendations emphasize the necessity of appropriately filling out and storing registration information.

### **3. Justice Sector Indicator Study**

The study objectives were to collect, organize and provide reliable baseline indicators and actuals for performance indicators for the Access to Justice project and led to the development of a comprehensive database to allow subsequent reporting on performance indicators and other relevant information. This study conducted in 2008, systematically reviewed all cases resolved in 2005 and 2006 throughout all jurisdictions in Benin. Subsequently, a database was developed to allow the DPP/ Justice Ministry to automatically calculate actual values for MCA Benin's performance indicators.

This study encountered difficulties in obtaining data through case files and in communicating with court clerks who were unavailable. Case files were also poorly organized and were often not archived. On-going justice sector strikes also impeded progress on the data collection activity.

The key findings of this study included:

- Average time to reach a decision on a case was 8.7 months in for the TPI (circuit court) in 2005 and 9.1 months in 2006; average time to reach a decision on case for the Appeals court was 25.9 months in 2005 and 22.6 months in 2006.
- 2135 land conflicts were registered across all jurisdictions in 2005, and 3148 were registered in 2006. The number of land conflicts registered with the TPIs was 2112 in 2005 and 2614 in 2006.
- A final decision was reached on a case for 46% of cases at the TPI in 2005 and 38.3% of cases in 2006.
- A final decision was reached on a case for 21.8% % of cases at the appeals courts in 2005 and 14.8% of cases in 2006.
- Average time for court decisions to be enforced (after reaching a final decision on a case) was 5 months for TPIs and 12 months for appeals Courts.
- The average distance between the head villages in a commune and the TPI is 35.7 km. However, this indicator has a significant degree of variation.

Recommendations following from this study included: integrating performance indicator calculations into the current justice sector database; strengthening the capacity of the data collection and analysis system and designated justice sector employees system; and improving the data processing and storage approaches at the level of all jurisdictions.

The baseline study occurred in 2008. The first follow up study completed during 2010 has made available recent figures on above mentioned indicators for year 2008. The process of the report validation of the second follow up survey planned for 2009 data, is ongoing. A third follow up study is being started and will be completed before the end of the Compact in order to collect 2010 and 2011 data.

### **4. Business Census**

The Business Census carried out from October to December 2008, collected qualitative and quantitative data on all non-mobile (fixed location) businesses in Benin. Information acquired included: the business location (GPS coordinates); the socio demographic characteristics of the business owners; and the real employment created by all Beninese businesses. The census fieldwork consisted of direct interviews with business owners or franchise managers. This survey required the systematic enumeration of all businesses in urban areas (examining each neighborhood block to identify businesses operating in that specific area). In rural areas, the census covered only the head villages of each commune or district.



Some difficulties encountered during fieldwork include:

- Enumerators were poorly received and there was poor response in some areas because of tax collections activities were occurring at the same time (leading business owners to believe that survey responses would influence tax collection activities).
- Certain business owners were hesitant to provide sensitive business information
- Physical access to certain areas, especially in the North of Benin, was difficult
- Survey activities were delayed due to delays in the finalization and extraction of GPS data

The census report indicates that 145 078 businesses were interviewed throughout Benin. The results are a database including their physical location (GPS coordinates), business revenue and profits, number and types of employees, and key constraints to their business operations. These results show that Cotonou city represents 37% of the country business while Atacora region contains only 3%. 94% of them are informal and 77% has less than 10 Years hold. A smaller follow up survey is being started in June 2011 in order to capture impacts on beneficiaries of the Access to Financial Services Project and relevant comparison groups.

## **5. Data collection activity for Challenge Facility beneficiaries impact evaluation**

The aim of the survey is to provide a baseline and follow up data for **Challenge Facility impact evaluation**. The survey sample is 3,023 taking into account the 3 components of the Facility funds and including the MFI central and local agencies, the real sector projects and their clients. The sample contains 75% of component 1 & 2 beneficiaries and 25% for the third one. The first of the survey completed during 2010 has provided baseline data on socio-demographic characteristics, production, salaries, satisfaction and the beneficiaries needs. The last 2 steps of the survey will take place in 2011.

## **6. Social Audit**

This audit purpose was to provide Civil Society Perspective on Program Implementation. the audit took place in January and February 2009 and involve a sample of 431 stakeholders. The survey covered several aspects of the quality and transparency of the management, the expenses usefulness, the consultative process, the transparency and efficiency of the procurement process as well as the bills payments time. The survey concluded that the stakeholders have a good opinion on the Program management. Recommendations have been made targeting each category of actors involved in the activities implementation.

## **7. Implementing Entities Satisfaction Study**

The objective of this study is to provide an independent perspective on stakeholders the opinion on the Program. The step 1 of the survey was completed during 2008. The follow up survey has taken place during 2010 and involved 1,407 stakeholders. The main conclusion is the improvement of the global satisfaction level increasing from 77% during step 1 to 80%. One of the recommendations made includes the creation of Questions boxes to be in permanent touch with the beneficiaries.

## **8. Mid-term evaluation**

The mid-term evaluation is completed during 2009 Quarter 1. The survey has dealt with the various aspects assessment after two Years and half completion time. The assessment included the management approach, activities completion process, financial execution and targets achievement.

**9. Additional studies are planned and are related to:**

- Businesses Census Follow up Survey;
- PH-TF & PFR follow up survey
- ERR update and Beneficiaries Analysis;
- Second EMICoV;
- ATM impact on consumer prices;
- Final evaluation.

## **Annex 7: Impact Evaluation Methods**

### **Access to Land**

Results of the MCA Program's Access to Land activities will be measured through (i) the activities' contribution to changing household income in the Land Project areas and (ii) the total value of additional investment in targeted rural and urban land parcels. The primary source to inform income and additional investment at the household level will be the national EMICoV survey.

As currently proposed, the impact evaluation will create credible control groups to which those villages randomly selected for participation in the Registration Activity will be compared. Of the 300 villages benefiting from the Project in the rural area, 120 will be selected randomly, with an equivalent number of villages serving as a control group. Activities may be phased-in over a subset of villages. Phasing-in of activities will provide an experiment and control comparison until the point at which the control villages get their turn for treatment. Phasing will also test the effect of each activity independent of and in combination with other activities.

Finally, the evaluation will seek to utilize Geographic Information System (GIS) data to strengthen the analysis. GIS data may depict differences in welfare outcomes due to variation in geographic, biophysical and market accessibility conditions. Spatial analysis will facilitate the controlling for such exogenous effects. In addition, GIS data will aid in controlling for "neighbourhood" effects, where a village's outcome may be correlated with its spatial proximity to another village. Data necessary to explain these exogenous factors will be collected through government agencies or NGOs operating in Benin, as available.

### **Access to Financial Services**

Results of the MCA Access to Financial Services Project will focus on the impact of the Challenge Facility and will be primarily measured through (i) cost reductions for clients and MFIs in the provision of financial services, (ii) improved portfolio and risk assessment.

The Challenge Facility should serve approximately 50 institutions that have submitted grant proposals to expand access to financial services and business development services. Up to 10 institutions may apply for each grant awarded, estimated to range from \$25,000-250,000 (for individual institutions or up to \$500,000 for a consortium of more than one), with one institution taking the lead and serving as the primary point of contact during the application process and implementation.

As financial institutions will compete to participate in the program, the evaluation method will address selection bias through a combination of randomized control trial within projects or a quasi-experimental design using Propensity Score Matching (PSM).<sup>11</sup> PSM will identify comparable MSMEs to match the MSMEs that are clients of grantees being funded by the Challenge Facility. To do this matching, the characteristics of the MSMEs or representative sample clients of benefiting financial institutions will need to be identified so that firms (i.e., not on the existing or newly-sought customer list of the grantee) with characteristics that would result in the same propensity of being selected are identified as the comparison group. The business census will provide some data and the possibility to identify a group of comparison MFIs that may be required to provide further data. While the evaluation design must still be refined, core evaluation hypotheses focus on the benefits at the level of micro finance institutions. In the long run, institution level benefits are expected to lead to client

benefits in the form of increase business profits or salaries, improved income and consumption. These effects may not be observable during the Compact, however.

Given the small number of grantees and the likely wide variation of their interventions, the results of the impact evaluation are unlikely to be generalizable to similar programs in a statistically powerful way.

### **Access to Land- Registration Activity (Urban Titling)**

Access to Land urban titling component rigorous impact evaluation is not feasible as a counterfactual cannot be established with the implementation timeline and approach. A mixed methods evaluation approach to document the project's impact on beneficiaries is proposed below. The Access to Justice project has similarly presented limited opportunity for a rigorous impact evaluation and an evaluation study will be designed to address key outcome questions described below. For the Access to Markets project, no obvious candidates for legitimate comparators exist. Therefore, an impact evaluation has not been planned. However, an evaluation of the effect of port efficiency on consumer welfare and foreign trade will be conducted under the auspices of MCA-Benin.

This project activity will be evaluated by comparing its process and outcomes to a previous pilot study with the similar objective of converting habitation permits to land titles in urban areas. The pilot project was implemented from 2001-2003 in seven urban zones throughout Benin. The key comparison will be whether MCA Benin's systematic urban titling process conducted under Access to Land project provided beneficiaries with titles in a shorter time frame, whether the cost per title delivered was lower and whether more beneficiaries have attained titles at the end of this process.

A process study shall evaluate the effectiveness of the systematic titling process. Specifically, what was the burden involved in acquiring the title and what forms of documentation were required and accepted. This evaluation study shall obtain administrative documentation from DDET to determine the composition of documents provided in any urban zone. Additional methodological approaches may include participant observer approach, focus groups, and key informant interviews.

Long term economic impacts of land titling may only emerge after the completion of MCA Benin's compact. Thus an outcome evaluation may focus on medium term effects and proxies for economic impacts. This evaluation should determine the importance of having a land title for transactions on land and whether possession of a land title encourages investment on land. To the extent possible, this evaluation shall also examine how a land title impacts land values, controlling for relevant economic factors.

### **Access to Justice**

The Access to Justice project evaluation shall address whether the intervention has indeed made justice more accessible to the Beninese population. This evaluation will examine whether the constraints that actually prevent access the justice system have been alleviated (such as excessive procedures, bureaucracy, or cost). It shall also consider the "demand" side—that potential beneficiaries may refrain from engaging in the judicial sector due to lack of confidence in its ability and widespread perceptions of corruption. A further question will be what economic benefits results if the Justice sector has indeed become more accessible.

This study shall rely on existing administrative data, household survey data from EMICOV and data from the Business Census. Key questions to be examined include:

- Will alternative dispute resolution reduce the burden on courts, contribute to faster resolution of commercial disputes and reduce the cost of disputes
- Improved network of business registration centers reduce time to register MSMEs, contribute to the growth in the number and the value added of MSMEs.
- Does greater dissemination of court decisions, laws and other legal information lead to greater transparency and certainty in commercial transactions and increased investor confidence in the judicial system.

Potential evaluation approaches could include looking for localized impacts. For example, what are relevant outcomes observed in household survey or business census data where new court houses are constructed earlier or the “treatment intensity” is higher. Where relevant, the study could also examine or sector specific impacts: for example if particular sectors are engaging in suboptimal strategies to circumvent constraints posed by the justice sectors, what changes do be observe once constraints are addressed. Focus groups and key informant interviews can contribute to a more in depth understanding of the project’s impacts. This study will also include methodological approaches so that the analysis of outcomes is also can be generalized to the extent possible.

## **Access to Markets**

MCA-Benin will contract an independent research organization to study the effect of Access to Markets activities on the price of goods imported through the Port of Cotonou and Benin’s international trade in general. MCA-Benin, in coordination with MCC, will develop the Terms of Reference for the study by the third quarter of year four. MCC will approve the TORs before consultants/firms are engaged for this activity.

The study will test the hypothesis that Port infrastructure and institutional improvements will decrease Port congestion, reduce shipment costs and thereby increased consumer welfare in the form of reduced consumer prices, among other changes. The study will also compare the Port of Cotonou to other ports in the region (Abidjan, Lagos, Lome) to determine how its competitiveness has evolved on dimensions such as cost, service, trade volume, etc.

## ANNEX 8: Performance indicator revisions and modifications (Version 5)

**Date of proposed modification: June 2011**

Compact Goal

<b>Original indicator name :</b> Annual average income of households in the intervention areas of the Access to Land and Access to Financial Services Projects
<b>Indicator type/ level :</b> Goal
<b>Modification:</b> Change in target
<b>Justification:</b> The target was changed to reflect the original Compact Development estimations

### ***Project: Access to Land***

**Project Objective:** Strengthen property rights and investment

#### **Outcomes:**

- Reduced time and cost to obtain a land title
- Increased perception of land tenure security

<b>Original indicator name :</b> “Percentage of households investing in targeted rural land parcels”, “Percentage of households investing in targeted urban land parcels”, and “Share of respondents perceiving land security in PH-TF and PFR areas”
<b>Indicator type/ level :</b> objective and outcome indicators
<b>Modification:</b> Change in target
<b>Justification:</b> The targets were changed to reflect the original Compact Development estimations

<b>Original indicator name :</b> Cost of on demand PH-TF conversion
<b>Indicator type/ level :</b> outcome indicator
<b>Modification:</b> change in baseline and target
<b>Justification:</b> The baseline and targets changed to put them in compliance with the decrease rate included in the first M&E Plan version

<b>Original indicator name :</b> Take up rate of new land titles
<b>Indicator type/ level :</b> outcome indicator
<b>Modification:</b> Bring more accuracy to indicator’s labeling. The new label is “Take up rate of new land titles in pilot and project areas”
<b>Justification:</b> the last label of the indicator address all land titles delivered by DDET

<b>Original indicator name:</b> Number of preparatory studies
<b>Indicator type/ level :</b> output indicator
<b>Modification:</b> Change indicator’s target
<b>Justification:</b> Take into account the micro-regional diagnosis conducted at department level.

<b>Original indicator name :</b> Number of new land titles obtained by transformation of occupancy permit
<b>Indicator type/ level :</b> Achieving formal property rights output indicator
<b>Modification:</b> Bring more accuracy to indicator's labeling. The new label is " Number of new land titles obtained by transformation of occupancy permit in pilot and project areas"
<b>Justification:</b> Indicator better measures project activities.

<b>Original indicator name :</b> Number of new land titles obtained by transformation of occupancy permit
<b>Indicator type/ level :</b> Achieving formal property rights output indicator
<b>Modification:</b> Indicator to be added to the M&E plan
<b>Justification:</b> Need to follow up the traditional conversion of occupancy permit into land title.

<b>Original indicator name :</b> Number of Stakeholders reached
<b>Indicator type/ level :</b> Achieving Formal Property Right to Land output indicator
<b>Modification:</b> Indicator targets
<b>Justification:</b> The indicator targets were not defined.

<b>Original indicator name :</b> Number of communes with new cadastres
<b>Indicator type/ level :</b> Improve Land Registration Services and Land Information Management output indicator
<b>Modification:</b> Change indicator target : 3 instead of 12
<b>Justification:</b> Change in the objective of the activity.

<b>Original indicator name :</b> Number of communes services offices opened
<b>Indicator type/ level :</b> Improve Land Registration Services and Land Information Management output indicator
<b>Modification:</b> Removed from the M&E Plan
<b>Justification:</b> in fact, the Land Information System have been installed

**Project: Access to Financial Services**

**Project Objective:** Expand access to financial services

**Outcomes:**

- Strengthened capacity of select financial institutions
- Strengthened monitoring capacity of Supervisory Authority
- Improve use of land titles as collateral

<b>Original indicator name :</b> Value of savings collected by MFI institutions (at the national level)
<b>Indicator type/ level :</b> Project objective indicator
<b>Modification:</b> Change indicator target : Year 3 = 95 673 Year 5 = 107 154,
<b>Justification:</b> Year 3 and Year 5 targets changed because it is the sum of the baseline and the increase number

<b>Original indicator name :</b> Number of savers among Micro Finance Institutions at the national level
<b>Indicator type/ level :</b> Project objective indicator
<b>Modification:</b> Change indicator target : Year 3 = 107 978 Year 5 = 117 368
<b>Justification:</b> Year 3 and Year 5 targets changed because it is the sum of the baseline and the increase number

<b>Original indicator name :</b> Number of new loans guaranteed with land titles
<b>Indicator type/ level :</b> Project outcome indicator
<b>Modification:</b> Change indicator targets : Year 3 = 468 Year 4= 768 Year 5 = 1118
<b>Justification:</b> Year 3, Year 4, and Year 5 targets changed because the indicator classification was changed to cumulative



### ***Project: Access to Justice***

**Project Objective:** Improve ability of justice system to enforce contracts and reconcile claims

#### **Project Outcomes:**

- Increased efficiency and improved services of courts and arbitration center
- Increased access to court system
- Improved enterprise registration center

<b>Indicator name:</b> Average time required for TPI to reach a final decision on a case (from court case filing to court final decision) and Average time required for Court of Appeals to reach a final decision on a case (from case entry at Court to court final decision)
<b>Indicator type/ level:</b> Access to Justice objective indicators
<b>Modification:</b> New indicators proposed
<b>Justification:</b> To better capture the full time required to reach decisions at the TPI and the Court of Appeals

<b>Original Indicator name:</b> Number of cases processed by the Arbitration Center
<b>Indicator type/ level:</b> Project level outcome indicator
<b>Modification:</b> Remove from M&E plan
<b>Justification:</b> To take into account the stopping of MCA support to CAMEC

<b>Original indicator name:</b> Number of businesses accessing CAMEC services
<b>Indicator type/ level:</b> Courts activity outcome indicator
<b>Modification:</b> Remove from M&E plan
<b>Justification:</b> To take into account the stopping of MCA support to CAMEC

<b>Original indicator name:</b> Number of IEC sessions hosted for CAMEC
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> Remove from M&E plan
<b>Justification:</b> To take into account the stopping of MCA support to CAMEC

<b>Original indicator name:</b> Percent of firms reporting confidence in the judicial system
<b>Indicator type/ level:</b> Access to Justice objective indicator
<b>Modification:</b> Reporting frequency to change (Year 3 and Year 5, instead of every 2 year)
<b>Justification:</b> To take into account the business census follow up survey completion

<b>Original indicator name:</b> Average distance required to reach TPI
<b>Indicator type/ level:</b> Courts Activity outcome indicator
<b>Modification:</b> Modify Year 5 Target
<b>Justification:</b> To take into account the construction of 4 TPI instead of 8

<b>Original indicator name:</b> Number of Courts inspections performed
<b>Indicator type/ level:</b> Courts activity output indicator
<b>Modification:</b> Change in the indicator classification and therefore in the target : from Level to Cumulative
<b>Justification:</b> To be in line with the target at the end of the Compact

<b>Original indicator name:</b> Number of users of the legal information center
<b>Indicator type/ level:</b> Courts activity outcome indicator
<b>Modification:</b> Change in year 5 target
<b>Justification:</b> LIC construction will be completed by April 2011. The number of users must be

planned down from 1000 to 100.
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<b>Original indicator name:</b> Number of enterprises registered through the business registration centers
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<b>Indicator type/ level:</b> Enterprise registration activity outcome indicator
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<b>Modification:</b> Change in year 3, year 4, and year 5 target
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<b>Justification:</b> the targets were increased to reflect the 1,822 enterprises in the baseline
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<b>Original indicator name:</b> Construction of Abomey Court Appeal completion rate
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<b>Indicator type/ level:</b> Courts activity process indicator
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<b>Modification:</b> Added to M&E plan
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<b>Justification:</b> The construction of Abomey Court Appeal started only in April 2010
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<b>Original indicator name:</b> Construction of Legal Information Center completion rate
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<b>Indicator type/ level:</b> Courts activity process indicator
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<b>Modification:</b> Added to M&E plan
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<b>Justification:</b> Monitoring needs
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<b>Original indicator name:</b> Construction of TPI Allada completion rate
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<b>Indicator type/ level:</b> Courts activity process indicator
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<b>Modification:</b> Added to M&E plan
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<b>Justification:</b> Monitoring needs
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<b>Original indicator name:</b> Construction of Abomey Calavi TPI completion rate
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<b>Indicator type/ level:</b> Courts activity process indicator
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<b>Modification:</b> Added to M&E plan
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<b>Justification:</b> Monitoring needs
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<b>Original indicator name:</b> Construction of Savalou TPI completion rate
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<b>Indicator type/ level:</b> Courts activity process indicator
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<b>Modification:</b> Added to M&E plan
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<b>Justification:</b> Monitoring needs
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<b>Original indicator name:</b> Construction of Pobè TPI completion rate
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<b>Indicator type/ level:</b> Courts activity process indicator
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<b>Modification:</b> Added to M&E plan
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<b>Justification:</b> Monitoring needs
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## **Project: Access to Markets**

**Project Objective:** Improved physical infrastructure

### **Project Outcomes:**

- Reduced ship wait time
- Streamlined customs clearance procedures
- Increased port user satisfaction

<b>Original indicator name:</b> Bulk ship waiting times at port	
<b>Indicator type/ level:</b> outcome indicator	
<b>Modification:</b> Remove from M&E plan	
<b>Justification:</b> The construction activity related to this indicator will not occur	

<b>Original indicator name:</b> Volume of Seafood processed through BOC (tons)	
<b>Indicator type/ level:</b> Increased use of import/ export facilities of Port by fishing/ seafood businesses- outcome indicator	
<b>Modification:</b> Remove from M&E plan	
<b>Justification:</b> The BOC construction will not occur	

<b>Original indicator name:</b> Lot 1 financial completion rate (Jetty extension)	
<b>Indicator type/ level:</b> Project level process indicator	
<b>Modification:</b> Added to M&E plan	
<b>Justification:</b> Monitoring needs	

<b>Original indicator name:</b> Lot 2 financial completion rate (South berth construction)	
<b>Indicator type/ level:</b> Project level process indicator	
<b>Modification:</b> Added to M&E plan	
<b>Justification:</b> Monitoring needs	

<b>Original indicator name:</b> Lot 3 financial completion rate	
<b>Indicator type/ level:</b> Project level process indicator	
<b>Modification:</b> Added to M&E plan	
<b>Justification:</b> Monitoring needs	

<b>Original indicator name:</b> Lot 3A financial completion rate	
<b>Indicator type/ level:</b> Project level process indicator	
<b>Modification:</b> Added to M&E plan	
<b>Justification:</b> Monitoring needs	